

APRIL 1, 1944

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Railway Age

Founded in 1856

BYERS WROUGHT IRON BLAST PLATES

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When this bridge at Cincinnati was designed by Chesapeake and Ohio Railroad engineers, they added an extra member that will mean a lot of extra life . . . wrought iron blast plates. Everyone who has seen what locomotive blast gases can do to unprotected bridge structures will recognize the soundness of transferring this punishing wear to plates that are qualified to stand it.

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Important though these features are, they are not wrought iron's only advantages in blast plate serv-

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A few of the many installations of Byers Wrought Iron Blast Plates are illustrated and described in our technical bulletin, "Wrought Iron in Bridge Construction." Detailed drawings, prepared through the friendly cooperation of the various railroads involved, show the methods of attaching the plates. We will be very glad to send you a complimentary copy, and are sure you will find it interesting and helpful.

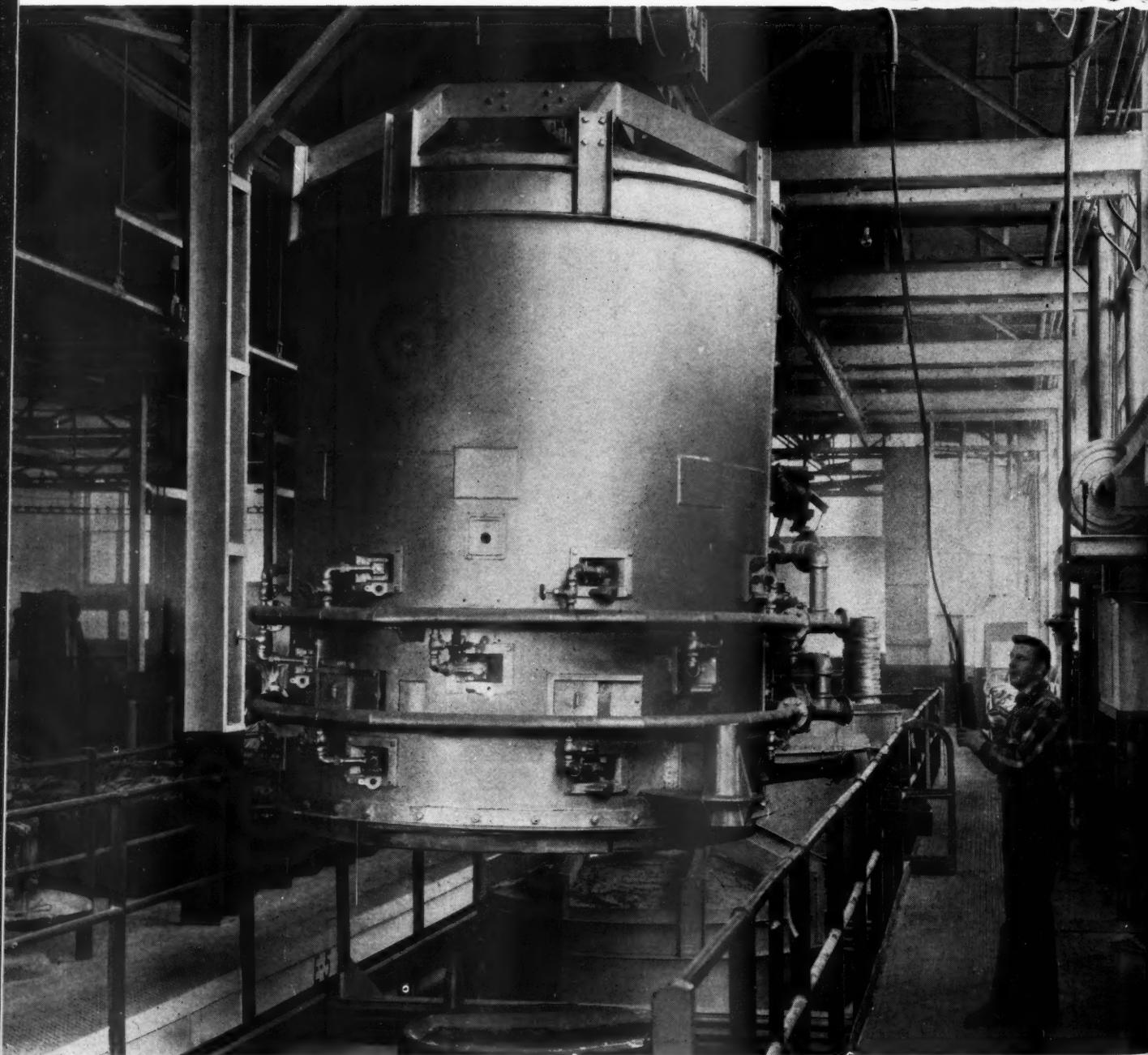
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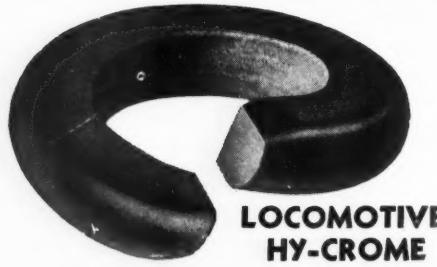
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*The Railway Age is indexed by the Industrial Arts Index and also by the
Engineering Index Service*



PRINTED IN U. S. A.

An outstanding example . . .

... of how "Union" C.T.C. saves locomotive and train hours by speeding war traffic!

IN the January 29th issue, *Railway Age* points to the 171-mile "Union" Centralized Traffic Control installation on the Union Pacific as "One of the most outstanding examples of the increased efficiency to be derived from the wartime installation of C.T.C. . . . during the last half of 1942, traffic congestion was so acute that dispatchers could not issue orders fast enough . . . freight trains clogged passing tracks . . . double crewing was required . . . hours were lost by helper engines . . . and road engines were in service for such long periods that a critical power shortage resulted."

Now, look at the record of operation since this "Union" C.T.C. installation was placed in service!

"Seven helper locomotives are now doing the work that formerly required 14 . . . freight trains now usually complete the 171-mile run in either direction in less than 10 hours . . . approximately 95 per cent more loaded cars westbound and 130 per cent more empties eastbound were handled during a seven-day period . . . than during a similar period in the same month in 1942 . . . and the average time of all freight cars on the sub-division has been reduced by approximately three hours."

"Union" C.T.C. can save locomotive and train hours on your road and eliminate congestion by keeping traffic moving. Investigate its possibilities! Phone or write our nearest district office.

UNION SWITCH & SIGNAL COMPANY

SWISSVALE, PA.

The Week at a Glance

WHOSE PROSPERITY?: The total amount paid out to "capital" and "labor" by the railroads in 1943 was \$4 billions—and, of this, "labor" got almost 83 per cent and "capital" only a little more than 17 per cent. The reward paid "capital" in 1943 was only 7 per cent more than "capital" got in 1914—but the amount of "capital" on the job in 1943 was \$10 billions more than in 1914. These and further startling facts on 30 years' progress in the ascendancy of the wage-paying over the "capitalistic" function of the railroads are revealed in the leading editorial herein.

C. OF C. ON TRANSPORT: The transportation committee of the U. S. Chamber of Commerce has secured approval by the Chamber's directorate of several important pronouncements on national transportation policy, which will be submitted to the membership at the annual meeting in New York next month. One most significant declaration opposes the prohibition, so violently advanced in some quarters, against one transport agency doing business by another method. Specifically, railroad entrance into air, highway, or water transportation—but not harmfully to dominate them—is favored. On the subject of federal aid for highways, such assistance is approved—but not an increase in the ratio of federal to local participation, as provided in pending legislation. The Chamber's transportation program is reviewed in the news pages herein.

HIGHWAY POLICY: The Chamber's resolvers take no position on whether payments of highway users are adequate or not—but they don't want any part of fees paid for highway use "diverted" to paying other governmental expenses. This doctrine appears to be equivalent to a declaration that beneficiaries of \$40 billions of investment in highway plant should not be burdened with an equivalent of *ad valorem* taxes thereon; although users of some \$20 billions of railway plant certainly are required to pay rates which will cover *ad valorem* levies on railway plant. If *ad valorem* taxes, or their equivalent, are not forthcoming from highway investments as they are from investments in private ownership—it simply means that the tax rate on private property will have to be just that much higher, to compensate for the growing proportion of wealth which has been socialized. Not a very brilliant policy—unless increasing socialism is what is wanted.

HANDOUTS FOR AIRPORTS: The Chamber's proposed transport policy also favors federal handouts for airport development, but with some safeguards to assure local participation. In development of publicly-owned transportation plant, there does not appear to be much concern about requiring users to pay compensation in full for *each facility* provided. This is the "test of the market place," the control which in the case of private investment is a safeguard against wasteful expenditure—and this guidance is not secured by totaling up all contributions by all users of all facilities and

concluding that they come reasonably near to covering all expenses. What is needed is a "market place test" on the economic justification of each separate facility—and government investment will compete unjustifiably against private investment until it is subjected to this limitation.

A LIMITED LICENSE: Even though the O. P. A. and the Economic Stabilization Director would like to have—and have asserted—the right to alter the procedure and dictate the duty of state and federal commissions created by statute to regulate public utilities, the laws under which those bodies function have not been wiped off the books, the Supreme Court says. Of all the new and superior powers over the rates of publicly regulated industries that the administrators of the price control laws seem to have read into this wartime legislation, to which they owe their being, the court can find no more than a license to intervene, on a basis of equality with other parties, in proceedings before the commissions. That rate levels should be determined exclusively on a basis of capacity to endure hardship is an O. P. A. doctrine for which the court discovers no congressional mandate.

A CALL TO ACTION: Taking as his theme the simple fact that a freight car is an asset when it is producing transportation, and a liability at any other time, L. K. Sillcox, in a Harvard Business School lecture abstracted in this issue, has dissected a typical pre-war freight-car-day to see why so much of a car's life is unproductive. Calling for aggressive, progressive preparation by the railroads for the intense post-war competition that everyone foresees, he advances some ideas about ways to make cars move more tons more miles per day more days per year.

PUBLIC RELATIONS IN WEST: Joint public relations efforts of the Western lines are henceforth to be conducted by a department of the Western Association of Railway Executives, assuming the functions heretofore exercised by the Western Railways' Committee on Public Relations. As reported in our news pages, H. M. Sims, executive assistant of the Great Northern, will head the new department—after having devoted 17 years to work of this kind in his former connection. Prior to his railroad service, Mr. Sims was in newspaper work, having also served as a member of the state legislature in Idaho, and having had some experience in advertising too.

PENSION FUND DEFICIT: Not enough money is being collected from the railroads and their employees to keep pension payments going. Such is the conclusion of a study by the Retirement Board, reported in our news pages. Unless the pension taxes are upped, or the federal government puts more money in the pot, a shortage of funds for payments is likely to develop by 1955. The analysts calculate that the pension tax ought to be 10.45 per cent, instead of the current 6½, to keep the kitty safely solvent.

STALEY CASE SETTLED: The fact that application of the car spotting rule of the Interstate Commerce Commission to a specific industry may result in discrimination against that industry, because it has not been applied similarly to its competitors, is no reason not to enforce the rule, the Supreme Court has decided, and Justices Murphy and Black for once agree with the majority. The remedy, as the account in our news pages notes, is, according to the court, to remove the preferences in the other situations, if the evidence shows they exist, rather than to fail to apply the rule where violation of the law has been proved. And so a hoary controversy seems finally to have been resolved in another affirmation of the commission's legal logic.

AVIATION FUNDAMENTALS: To set forth in concise form the essential facts about the post-war prospects of domestic air transportation, so far as they can be ascertained, was the purpose of the railroads' research subcommittee in preparing its initial study in that field, which is the subject of an article beginning on page 641. Though discounting some of the more fantastic products of aviation enthusiasts' dreams, the report has been built upon facts obtained from proponents of air transportation, and puts emphasis on the advantages—of which substantial government subsidies are not the least impressive—with which that industry will enter into the competition for the patronage of travelers and shippers after the war ends. It may be hoped that this report will mitigate the recurrent criticism that the railroads are asleep at the switch on the plane's potentialities.

ENDS WITHOUT MEANS: A tough one to figure out is the Army's opposition to the land-grant repealer (as reported in an article in this issue). The military witness, Colonel Lasher, based his position solely on the war department's desire to get its transportation as cheaply as possible. He did not care to comment on the "morals of the United States government." As the chairman of the committee on the bill (Congressman Boren) pointed out, the war office is making unusual demands on the railroads; and he wanted to know if it didn't have some obligation to concern itself with the *means* of continuing adequate transportation service. No branch of the government has shown a keener appreciation of the need for efficient railway service than the war department—but its concern with assuring the wherewithal to maintain such service has not been especially remarkable; and, in the case of the Army engineers with their zeal for inland waterways development, has actually been negative.

A WELL-SIGNALLED STRETCH: From Poplar Bluff to Texarkana, the Missouri Pacific has 196 miles of single-track C.T.C. and 39 miles of either-direction, double-track C.T.C.; with 94 miles of double track with standard signaling. The installation, and how this important piece of railroad is operated with its help, are described in an illustrated article herein.

GM FREIGHT DIESELS



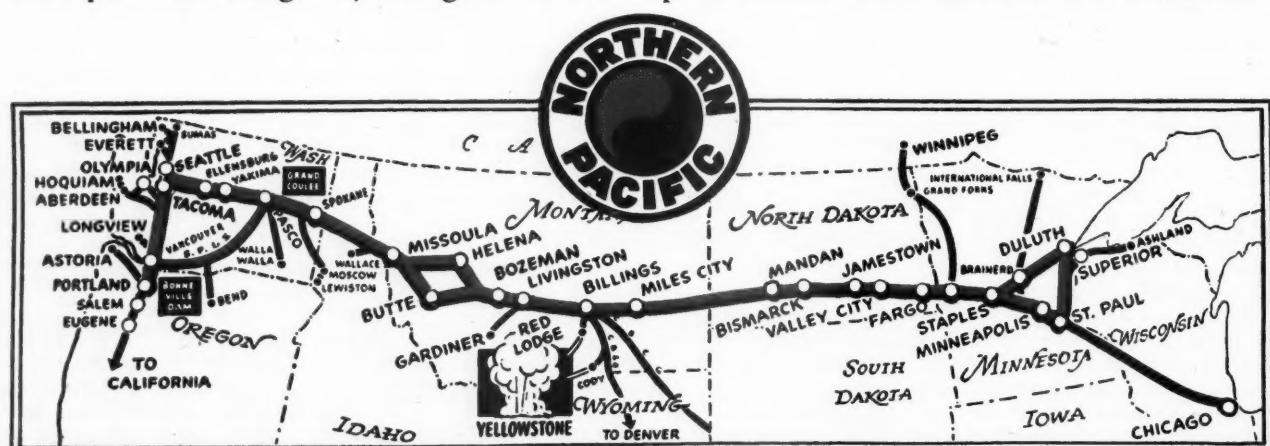
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GENERAL MOTORS
LOCOMOTIVES

NORTHERN PACIFIC

THE Northern Pacific recently received and placed in service the first of eleven General Motors 5400 Hp. Diesel Freight Locomotives. This freight Diesel, No. 6000, is at present temporarily assigned between Mandan, North Dakota and Glendive, Montana. These eleven Freight Diesels, geared for a top speed of 80 miles per hour, will greatly strengthen motive

power on the Northern Pacific with higher speeds for faster schedules—added power for greater tonnage capacity—adaptability to varying operating conditions—maximum availability with fewer stops for fuel, water and servicing. GM Diesels have what it takes to meet the exacting transportation demands of war and peace on the "Main Street of the Northwest."



★ LET'S ALL BACK THE ATTACK — BUY MORE WAR BONDS ★

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RAILWAY AGE

Returns of Railway Labor and Capital

The total amount of interest and dividends paid by the railways on their bonds and stocks in 1943 was the smallest compared with the total wages they paid their employees that it ever has been in any year in history for which the data are available excepting 1920. The reason why 1920 must be excepted is that in that year the railways were returned from wartime government operation to private operation with a much larger number of employees than they have ever had before or since, resulting in that year's payroll being abnormal as compared with those of all previous and subsequent years.

The total amount of return to labor and capital (wages, interest and dividends) paid by the Class I railways in 1943, as shown by statistics recently issued by the Interstate Commerce Commission, was almost exactly \$4,000 million. Of this sum, \$3,305 million, or 82.6 per cent was wages, and \$695 million, or only 17.4 per cent, was return paid on capital—\$479 million of the return paid on capital being interest, and \$216 million of it dividends.

The amount of wages paid was the largest in history excepting in 1920. On the other hand, the total return paid to security owners was smaller than was paid in sixteen of the preceding twenty-nine years. This was mainly because dividends continued to be smaller in 1943 than in any of the eighteen years ending with 1931. It was also partly due, however, to the fact that interest was reduced from \$519 million in 1942 to \$479 million in 1943, and was smaller in 1943 than in any of the eleven years ending with 1934.

The tendency of labor to get an increasing share of the rewards paid by the railways to labor and capital has prevailed since the beginning of World War I. Their combined rewards in 1914 were \$2,087 million, of which labor received \$1,337 million, or 64 per cent, and capital \$749 million, or 36 per cent. Ten years later (in 1924) their combined rewards were \$3,651 million, of which labor received \$2,826 million, or 77½ per cent, and capital received \$825 million, or 22½ per cent. Ten more years later (in the depression year 1934) their combined rewards were only \$2,135 million, and, owing to drastic reduction in the number of employees, labor received only 71 per cent of this amount, or \$1,519 million, while capital received 29 per cent of it, or \$615 million. But in every year since 1934 excepting 1940 labor's share has increased, with the result that in 1942 labor got 80 per cent of the "divvy" and capital only 20 per cent, and that in 1943 labor got 82.6 per cent of it and capital only 17.4 per cent.

The figures for 1914 and 1943 present very striking contrasts. The combined rewards paid to both labor and capital were twice as great in 1943 as in 1914, \$2,087 million in 1914 and \$4,000 million in 1943. But while the reward paid labor increased 150 per cent, or almost \$2,000 million, the reward paid capital decreased 7.2 per cent, or \$54 million on an investment that meantime increased 60 per cent or \$10 billion.

The railways have earned enough net income to have paid larger dividends during the war years. Their managements have considered it wiser to restrict dividends, reduce indebtedness and retain large funds for future use, in the hope that in the long run these policies will redound to the advantage of stockholders. It is nevertheless a fact that the return to capital has declined compared with the return to labor, for interest and dividends are the only forms in which capital ever actually gets a return.

Efficiency
FOR
VICTORY

Eddie Rickenbacker

Suffers an Off-Day

Eddie Rickenbacker comes pretty close to being the nation's No. 1 civilian patriot. He has risked his life in his country's service too often for anyone honestly to suspect that he would knowingly or willingly put his private interest ahead of the nation's welfare. Yet at a meeting of aviation interests in New York last week, he is reported in the New York Sun to have attacked the railroads for their efforts to be allowed to participate in air transportation, and to have said:

"A Senate committee not so long ago revealed that [the Transportation Association of America] is but the front for the railroads, its birth conceived and paid for by the same railroad interests which have for years been attempting to secure a stranglehold upon the independent trucking industry of America."

After Rickenbacker's harrowing experience in a life-raft on the Pacific, he gained a deserved oracular authority on questions involving loyalty to our country. Nevertheless, when he went around urging war-workers to stay on the job, he was attacked by some as an "enemy of labor." He knows that charge to be false. All the same, it must hurt a man who really loves his country to be accused, as he was, of using patriotism to mask a purely personal and selfish advantage.

Those who maliciously criticized Rickenbacker in this manner could have satisfied themselves by a careful scrutiny of the man's behavior that their charges did not make sense—but what he said displeased them, and it was easier to answer him by impugning his motives than to try to meet his arguments.

Well, Capt. Rickenbacker, are you perfectly satisfied in your own conscience that you are not now inflicting upon others the same injustice from which you suffered? Do you know for a fact that the statement you have made in the above is true, or have you thoughtlessly resorted to "smearing" your potential competitors, rather than attempting honestly to answer their arguments? Unless your information is better than ours, the Transportation Association is not a "front" for the railroads; and, indeed, advocates some things (compulsory railroad consolidation, for example) which many if not most railroad men oppose. Also, unless your information is better than ours, there are no "railroad interests" who either now or at any time have sought "to secure a stranglehold on the independent trucking industry of America."

You say that a Senate Committee has revealed these things. Capt. Rickenbacker, nobody has revealed them. Such statements have been made as unsubstantiated charges by some mighty carelessly-spoken people—among them Thurman Arnold and Henry Wallace, with whom, Capt. Rickenbacker, it just doesn't seem right to find you keeping company.

There is no issue between the railroads and the airlines which justifies either side in citing contentions

of reckless demagogues as "evidence" against the other. Some few railroads—not by any means all—would like to engage to some degree in air transportation. The existing airlines would like to retain their monopoly. The railroads which wish to participate in air transportation believe that they have two arguments in their favor, viz., (1) the possible economies and better service to the public in "co-ordination" between railroads and air; (2) the national interest in the preservation of railroad service, which can be assured only if the railroads have an equal chance with others in securing a remunerative share in the nation's traffic. The comparative merits of the opposing positions of the railroads and the airlines on this question can, surely, be factually debated, without resort to misleading and untruthful misinterpretation of motives.

The country sorely needs the voice of your moral authority at this time, Capt. Rickenbacker. Don't jeopardize it.

How Practices Change

Two separate but well-defined forces have shaped the development of practices in the use of work equipment in maintenance. Originally, power machines were steam-driven, slow in action and with little of the mobility that characterizes most of the work equipment now in use. It was inevitable that these early machines should be placed on railway mountings, partly because they would have been helpless away from the track and partly because no other type of mounting had then been developed for their use.

On the other hand, much work not immediately tributary to the track was necessary, such as clearing the right-of-way of vegetation, moving earth, heavy ditching and cleaning the channels of streams, the handling of materials and many other tasks. The first was solved through the use of horse-drawn farm mowers and by hand work; the steam shovels was "cut out" and moved to the point of operation on short sections of portable track; and other problems were solved, in many cases, by adapting the work to the machines rather than the machines to the work.

With the development of the internal-combustion engine, power machines became less ponderous, that is, they were more responsive and quicker in action, as well as lighter in weight. Mountings that freed them from the restrictions that were imposed by track mountings became available, but they made little impact on current practices in the use of the machines, despite the greater flexibility and wider range of usefulness which they demonstrated.

However, the pressure of economic forces is stronger than the inertia of custom or of established methods of thought. The rising cost of work-train service was a potent factor in awakening maintenance officers to the necessity for devising some method for reducing the number of work trains, and they found this in the use of off-track units. Following on the heels of the

depression, when funds for vital work were not easily obtainable, the demand of train and enginemen that they be assigned to on-track units that cannot be removed readily from the track, greatly accelerated the trend toward the employment of off-track equipment.

There is another important advantage in the off-track machines, in that traffic does not interfere with the continuity of their use, whereas a considerable part of the cost of a work train is wholly unproductive. As a further advantage, most off-track units require less men for their operation than their prototypes with rail mountings.

As an example of this advantage of off-track equipment, one road spent \$85,000 for off-track earth-moving units and discarded its on-track machines. As a result of this expenditure it is saving \$141,000 a year in work-train service in its grading operations alone. In addition to this, it is doing more work than formerly, a large part of which had been contracted previously, since it could not be reached by the on-track equipment. Considering other savings resulting from the purchase of the equipment, the total economies effected are estimated to aggregate \$385,000 a year.

Perfect Shipping Campaign

The Perfect Shipping campaign which the National Association of Shippers Advisory Boards is conducting this month is especially important with the war entering its most critical stage. Damaged shipments, whether they comprise raw materials, parts or the completed product, decelerate production and delivery and waste materials, man-hours and transportation.

The shippers have organized a campaign to promote vigilance throughout the entire process of packing, sealing and loading. They are also urging the exercise of care in the design of containers and in the use of second-hand containers. Since they are trying enthusiastically and sincerely to improve their methods, it is important and advisable that the railroads at the same time intensify their efforts to insure reliable transportation. Their record is good—only one damage claim for each 20 cars handled—but, if that claim is on essential war material, the average doesn't help much.

Rough handling calls for special attention by the railroads, since its effect on lading is increased with the easing of container requirements. One solution is the

reduction of the speed of movement of cars during switching and line-haul operations—but this would seriously decelerate transportation if it were generally applied. A more practical attack is to improve the method of loading and supervision of stowing to take into account the ability of the load to withstand impacts.

Some railroads are using racks to avoid placing the entire weight of the pile on the bottom layer. Some are using bulkheads so that the lading at the ends and center of the car is not subjected to excessive strain from horizontal impacts. Some are applying snubbers and other devices to cars in order to reduce vertical vibration.

The growing size of the damage account indicates the need for steps to mitigate horizontal and vertical shocks that damage lading. In 1943 about 70 per cent of the entire freight claim bill of \$42,050,364 was due to "unlocated" and "concealed" damage.

Take a Look Behind You, Big Boy!



Gratitude Is Short-Lived

Gratitude has been defined as "a lively sense of anticipated favors." It follows that the willingness of political leaders, shippers, the armed services, and the public generally, to rectify injustices and handicaps under which the railroads labor, is likely to be manifest in considerably greater magnitude while the war lasts, than after peace comes and appreciation of the value of efficient railroad service is less keen.

Of all these injustices, the "land-grant rates" are now probably the most acute. Many of the railroads are being required to haul military traffic at a 50 per cent discount from tariff rates—a reduction by means of which they have long ago fully compensated the government for the value of the grants of public lands to which this discount in rates was attached as a condition. But that isn't the worst of it—the railroads and the federal government have not been able to agree on an exact definition of military traffic. Consequently, unless the law is repealed or clarified, the government may, later on, lay successful claim to large sums now being collected for much of this traffic which the carriers consider non-military.

If the carriers establish reserve funds against the contingency that disputes on the applicability of land-grant rates on certain traffic may later be decided in the government's favor—they are nevertheless required to pay income and excess profits taxes on these reserves; and the law as it stands will not permit them to recalculate their income taxes if the courts decide, at length, that the funds in these reserves belong to the government.

President Clement of the Pennsylvania, in his annual report to stockholders, draws attention to another anomaly in the interpretation of the tax laws which penalize sound financial practices by the railways to the point of extinction. This has to do with charges for undermaintenance. Because of the shortage of labor and materials, railroad property is being used up more rapidly than it is being restored. Such excess of wearing-out over restoration is an honest charge against current traffic, and should be so entered in the accounts. Nevertheless, the Treasury will not permit deductions from income and excess profits taxes of such sums properly chargeable to current expenses, but not actually expended. Mr. Clement also observes that "the railroads have not been, like other industries, in a position to carry adequate charges for depreciation and obsolescence-amortization."

Such handicaps as these are, of course, a severe burden to the railways—but they are no less injurious to the public interest in the maintenance of an adequate, efficient railroad system. The railroads receive no grants from the public treasury for the rehabilitation and modernization of their plant. If their properties are to be kept apace with demands upon them, the funds therefor can come from no other source than such net income as the carriers are allowed to earn, and retain

after the tax-gatherer has gone his way; and from private investment funds attracted by the hope (if any) that such earnings will pay the investor a reasonable "wage" for the use of his savings, with some promise of safety of the principal.

Gratitude being a sentiment which is livelier when the recipient of it still has favors at his bestowal, it seems that no time is ever likely to be more propitious than the present for persistently reminding those who now depend upon the railways as to what the *means* are whereby the indispensable service of the railways may be indefinitely assured.

Coal Shortage

Railway operating officers and fuel supervisors are becoming increasingly concerned about the inferior grades of strip coal now being supplied for use on locomotives, particularly of eastern carriers, with attendant failures for steam, train delays and retarded delivery of shipments. On one railroad, nine locomotives failed for steam in a single night, less than three weeks ago, and another large carrier had over 60 locomotive steam failures in a 24-hr. period. Still another road recently stalled a long freight train of high-quality coal, en route to the eastern seaboard, because the strip mine coal on the locomotive contained such a large percentage of dirt that the fire and steam pressure could not be maintained.

Coal moving under priorities and directives for lend-lease shipment abroad should obviously be high grade, but it is equally clear that coal supplied for locomotive use must be of sufficiently good quality to support combustion and maintain full steam pressures, otherwise the coal being "good-neighbored" overseas may be late in getting there. Another urgent reason why railroads currently need good-quality locomotive coal is that they are being asked to cut their consumption of this fuel 2,000,000 tons in 1944, as compared with 1943. Coal used in steam locomotive service varies all the way from 9,000 to 14,000 B. t. u. per lb. Assuming the same tonnage handled and no material change in other conditions, more tons of coal will be required if sub-standard fuel is used.

No basic characteristics inherent in strip mine coal make it an unsatisfactory fuel for locomotive use. The difficulty seems to be that, under pressure for production, mining companies are getting into strip coal of poorer quality, and are applying it for railroad use without proper preparation. Whether the remedy lies in tighter inspection, punitive action against careless mines, or an extensive publicity campaign to awaken coal companies to the necessity of meeting railroad standards, remains to be seen. The conditions are being studied by representatives of the Railway Fuel & Traveling Engineers' Association, the Association of American Railroads, the Office of Defense Transportation, and the Solid Fuels Administration. Correction cannot come too quickly.

Time-Conscious Freight Cars*

Freight-car utilization a vital factor in handling rail traffic—Normal average only 10.4 per cent

By L. K. Sillcox,

First Vice-President, The New York Air Brake Company

TEN point four. The statement in itself means nothing. But there is a wealth of meaning implied which can be disclosed by investigation. The active freight car, on the average during normal times, is in trains but $2\frac{1}{2}$ hrs. out of each 24-hour day or a utilization of but 10.4 per cent. Is this the maximum utilization which can be obtained? Are the railways and the shipping public doing everything in their power to expedite the movement of freight cars or can improvement be effected? Surely, in a period of intense demand upon a limited freight car inventory such as exists today, every effort should be expended to hasten every car to its destination and, upon arrival, to accelerate its departure to still another destination.

If the railways could attain the same degree of intensified utilization as have the airlines, the present equipment inventory of approximately 1,700,000 cars would be equivalent to 2,380,000 cars, an increase of 680,000 units. Before the curtailment of airline operations occasioned by military demands, 324 planes were scheduled to fly 368,867 plane-miles daily, or an average per plane of 1,138. As of October 23, 1942, 166 planes were scheduled to fly 264,709 plane-miles daily, for an average per plane of 1,595, or an increase of 40 per cent. It is not implied that the railways can do as well—the nature of railway operations prevents. But the need is so urgent, and the benefits so imperative, that an examination of the impeding factors and an evaluation of the manner in which they are treated are both timely and promising.

The Railway Challenge

Through direct contact with shippers and consignees, the traffic department representatives have a genuine opportunity to impress upon railway customers the vast importance of prompt loading and unloading of cars, the effects upon car supply of ordering cars before they are needed, or of ordering a greater number than are actually required, and the harmful results accruing to the railway when the privileges of reconsignment or issuance of "To Order" bills of lading are abused. The challenge to the transportation department resides in eliminating, insofar as possible, idle time while cars are under railway control.

Broadly speaking, it may be said that railway freight earnings are based upon ton-miles of transportation produced; therefore, with a given tonnage, commanding equivalent rates, the greater the mileage accumulated per day, the greater the gross earnings a car will produce during the same interval. Obviously, a car is earning nothing when moving without load and the reduction to an absolute practical minimum of empty car mileage is the aim of every railway administration. In other words, a freight car is an asset to the railway only when

it is producing transportation—at all other times it is a distinct liability. When it is considered that approximately one-eighth of the entire capital investment of the railways of the nation is represented by their freight equipment account, the importance of reducing "liability" time to the absolute minimum becomes immediately apparent.

[Mr. Sillcox here explained the necessity for free and uninterrupted interchange of freight equipment and described how A. A. R. rules governing interchange and car service contribute to the efficiency of the rail transportation machine.—Editor]

Utilization and Investment

Time is the essence of transportation insofar as service is involved; also it has its influence on investment which is a compelling factor insofar as economics is concerned. Therefore, utilization of the freight car is important from the standpoint of sound economics. The railways, in 1941, had \$3,081,579,800 invested in freight-train cars which they maintained during that year at a cost of \$257,881,377. Their investment in freight cars was more than twice that in steam locomotives, the only other type of equipment in which a billion dollars were invested. From this it is readily noted the savings which would accrue to the railways from increased utilization and consequent reduction in inventory which it would permit.

It might be well to emphasize at this point that current statistics are not symbolic of normal railway performance—neither are those of depression years. For example—the average freight car-miles per car per day have been increased by ten, 1942 over 1940, while they were increased by but four, 1940 over 1929. If such improvement can be effected during war-time, why can't the improved efficiency be maintained? Much of it can since many innovations introduced during war-time will remain permanently. Possibly the freight car has been living under "featherbed" rules and it took the emergencies of war to disclose the fact.

Freight Cars and Service of the Future

What will the freight car be like if greater utilization is obtained? If sufficient miles are accumulated in a given unit of time, undoubtedly roller bearings would be economically justified and cars could be constructed and maintained well enough to permit interchangeable operation—in passenger service as well as freight. Empty-and-load brakes could be applied; also steel wheels. Alloy steel would very likely be widely utilized in car construction if there were no restriction on the materials employed. As cars are used today, however, owners are not economically justified in expending more than a

* Extracts from a lecture delivered before the Graduate School of Business Administration, Harvard University, December 8, 1943.

very minimum in first cost, and maintenance costs must be diligently policed.

There is an ever-increasing need evidenced for a standardized container which may be used on a national scale so that railway and highway operations may be more fully and realistically developed. The railways are not prepared to handle small shipments economically without loss or damage in transit. This fact has, and is, supporting the forwarder who quotes rates for less-carload freight, intermediate between those applicable to carload and less-carload shipments, combines the individual units into carload lots, and is favored with rates prevailing for the combined shipment. A portion of this "spread" thereby accrues to the shippers while the balance is retained by the forwarder to cover cost of operation and to provide a profit. If the railways could offer a container for these small shipments, the forwarder would lose his only advantage.

"Nonchalance Will Be Fatal"

There are difficulties to be surmounted, however; since the loading and unloading of the individual units (five or six to the car) are dependent upon crane service, and the investment required has operated to limit crane facilities to the larger stations. Also, the introduction of containers in less-carload service requires the substitution of crane facilities for transfer platforms. An alternative which is being offered in a limited manner is the compartment car, which is merely a box car the interior of which is subdivided into several compartments, separated by substantial partitions. Each compartment is then used by the shipper on a carload basis with the minimum loading for the carload rate dependent upon the number of compartments in the car. Container or compartment—whichever ultimately is the more popular—is nothing more than a device for providing several individual loading sections upon one underframe and any shipments which will not fill these small units should move by truck, express, either rail or air, or parcel post. Post-war competition will be intense and the railways must, if they are to meet it successfully, combat it in an aggressive and progressive manner. Nonchalance will be fatal.

Table I—Distribution of Freight Car Time in 1933—Loaded Cars Only

Operation	Time in hours	Per cent of cycle
Loading	34	23.6
Origin terminal	11	7.7
Intermediate terminals	27	18.7
Destination terminal	15	10.4
Unloading	34	23.6
In trains	23	16.0
Total	144	100.0

Pre-war freight service was performed in what will be viewed in the post-war era as a leisurely manner. True there were many relatively short, light trains operated on accelerated schedules, and the "maintracker" had been introduced, but the average freight-train speed in 1940 was but 16.7 miles per hour, an all-time record, incidentally. As the tempo of railway operations is elevated to meet stern competition from the highway and the airway, solid train-lot movements will become more common, always dependent upon supporting traffic volume, of course. Improvement in design and materials of construction will reduce terminal delay time to enable the expedited handling of trains, as units, through terminals. The installation of roller bearings, alone, will remove a major time-consuming inspection operation

with consequent delay to departure from intermediate terminals. Although bulk commodities, such as coal, ore, stone, et cetera, will not be transported inter-terminal at the elevated speeds of merchandise trains, their solid train-lot character will support relatively rapid movement to add its influence to the overall improved performance of railway operation.

[Mr. Sillcox here discussed demurrage, car pooling and various factors which increase the time spent by freight cars on the road.—Editor]

Distribution of Freight-Car Time

Generally speaking, when in productive service, the average freight car is in the hands of shippers or consignees approximately one-half of the total time. This statement is substantiated by an analysis conducted by the Federal Coordinator of Transportation in which all loaded cars terminated on December 13, 1933, were examined with a view of determining the division of time between the various operations. At that time, a depression period, it was disclosed that the cars containing carload shipments were in the hands of the traders approximately 47 per cent of the elapsed hours from the time the cars were placed for loading until they were released by the consignees. If cars transporting less-carload shipments, which are usually loaded by the railway, are included, this average is reduced to approximately forty-five per cent. In detail, the elapsed hours were determined as shown in Table I.

The study indicated an overall average speed of three miles an hour and a speed of five miles an hour when the car was in the possession of the carrier and subject to movement. While in road trains, the car, on the average, moved at a speed of approximately 16 miles an hour. It is, therefore, evident that every effort should be expended to reduce the spread between these upper and lower average speeds, and this can be done only by suasion insofar as the trader is concerned, except that a certain degree of benefit is realized by the assessment of demurrage charges, and an improvement in railway practices insofar as the railways are involved.

The figures given in Table I apply only to carload traffic, but there are numerous other factors which increase the average time of freight-car movements, such as empty car miles, movement to and from storage tracks, the repair of cars and the time consumed in movement between yards and repair tracks, movement between yards and industrial tracks, et cetera, which, in 1941, combined to increase the total time of the typical freight-car movement to 13.2 days.

L. F. Loree analyzed a typical freight-car movement based upon statistics of 1910 at which time he discovered that the average time was 14.9 days which indicates that progress is relatively slow in increasing the average number of trips which a car can make per year. Table II shows a similar study of operations during 1941 in which the assumptions of Mr. Loree are respected in most instances. They are: That the average road delay is ten per cent of road time; the time required for each interchange is assumed to be twelve hours; loading and unloading is taken as two days each (the maximum time in each instance before demurrage starts and experience shows that approximately ninety per cent of all cars are released within this limit); while consigning, et cetera, is assumed to utilize one-half day.

In the preparation of the table, the number of intermediate terminals is based upon divisions of 125 miles in length rather than the 100-mile divisions of Mr. Loree, while the number of holidays is reduced from ten to

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Table II—Distribution of the Time of a Typical Freight-Car Movement in 1941

	Days per trip	Hours per day	Per cent of trip or day
Normal road movement—577 miles at 16.5 miles per hour	1.46	2.6	11.1
Road Delays—reflected in overtime, 10 per cent15	.3	1.1
Movement through intermediate yards—4.61	1.58	2.9	12.0
Interchanges between railroads—1.86 per trip	2.21	4.0	16.7
Movement between terminal yard and loading and unloading tracks—four per trip	1.37	2.5	10.4
Surplus cars and their movement between yard and storage tracks	0.38	0.7	2.9
Repairing cars and their movement between yard and repair tracks	0.82	1.5	6.2
Responsibility of railroad	7.97	14.5	60.4
Loading and unloading	4.00	7.3	30.3
Delay because of the traders' practice of "bill to order," "reconsignment," "plant facility use," etc.50	.9	3.8
Delay due to observance of 52 Sundays and 7 holidays per year73	1.3	5.5
Responsibility of shipper	5.23	9.5	39.6
Total Time	13.20	24.0	100.0

seven. All other values, including the total time, are calculated from existing statistics, and the assumptions affect only the distribution of time between the items involved. [Mr. Sillcox here stressed the importance of prompt car inspection and repairs, higher average freight-car loading and full shipper cooperation.—Editor.]

Railway Handling

Reference to Table I demonstrates that the average loaded car terminated on December 13, 1933, was on railway terminal tracks 37 per cent of the total elapsed hours from the time it was placed on shipper's tracks for loading until it was released by the consignee, and during but 16 per cent of that time it was in road trains. Furthermore, of the time when it was subject to railway control, these percentages were 70 and 30, respectively. Also, it was in origin and destination terminals 13 per cent more time than in trains; in intermediate terminals 17 per cent more, and, when all railway terminal time is included, this percentage reaches the value of 130. It is apparent, therefore, that the chief cause of railway sluggishness lies in the yard and that this field of operations presents the most fruitful source of accelerated movement.

To a large extent, each railway faces different conditions, as do the individual terminals on the various railways. However, certain basic practices will, in the main, improve terminal operation. Much terminal delay is directly traceable to the practice of assembling long trains, since their dispatch is necessarily delayed, awaiting sufficient tonnage, and this effect is intensified as the volume of traffic decreases. Also, delays at intermediate terminals due to the switching of trains necessarily increase with train length.

The interchange of cars between carriers is a source of delay, since the individual railways very often base their schedules upon local conditions and their desire to depart or arrive at important terminals at specified hours without reference to traffic received in interchange. The result is that this operation often requires as much as twelve hours and, in large terminals where an intermediate switching line is involved, the delay may exceed twenty-four hours. Reference to Table II indicates that each car was interchanged 1.86 times per trip during 1941. In order that delays may be reduced to the minimum, the responsibility of the various departments should be delegated to the administrative offices of those departments and their performance policed to insure that they

discharge their obligations satisfactorily. The various divisions can be stated as follows:

Operating Department: Switching, placing, billing, classifying, forwarding, giving notice of arrival, removal when released, and distribution.

Maintenance of Way and Stores Departments: Restricting the use of revenue cars to a minimum for loading with company material; loading them to capacity, and prompt release.

Traffic Department: Securing the sympathetic cooperation of the shipping public so that it will order only such cars as are needed for immediate loading, load and unload promptly, load to capacity, clean cars properly, furnish billing instructions early, surrender bills of lading without delay and give prompt notice of release of cars.

The problem of freight-car utilization is not new nor easily solved. There exists no panacea, but progress is possible of attainment if the matter is vigorously attacked, intelligently prosecuted, and constantly and manifestly maintained. No greater responsibility confronts the administrations of the various railways than that of attaining greater utilization of equipment, materials, manpower, and facilities, and this responsibility will not lapse at the conclusion of hostilities when the economics will not be required to move the traffic of a nation at war but will be required to enable the railways to meet successfully the stern and capable competition which they cannot escape from the air, highway, and waterway, both natural and artificial.

The security of the nation rests in large measure upon the railways' success today. The security of the railways themselves depends upon their success tomorrow. Freight-train cars are capable of performing more hours of service and of operating greater mileage per day than are now realized. Every carrier is confronted with the serious problem of correct design and spacing of locomotive and car terminals in relation to obtaining maximum utilization per day for all classes of equipment with consequent speeding up of average train movement. By utilization is meant not only the miles run per day but also the days serviceable per year and the tons hauled per day. As long as improved performance is obtainable, all railway officers and employees are strictly charged with the responsibility to let no effort slacken which will operate toward full utilization. The challenge is evident; to meet it, is essential.

* * *



The G. B. & T. "Admiral" Guadalcanal

One of three gasoline-powered engines which provide motive power for the 1,22-mile Guadalcanal, Bougainville & Tokyo line. The engineer in the photograph is of the Army Service Command.

M.P. Operates 323-Mile Division By Signal Indication

THE Missouri Pacific has completed the installation of centralized traffic control on 51.1 miles of single track and 8.6 miles of double track between Gurdon, Ark., and Texarkana, Ark., thus extending this form of train operation over all the 197 miles of single track on the 323 miles of the Arkansas division main line, between Poplar Bluff, Mo., and Texarkana, Ark., the remaining 126 miles being double track. On seven sections of this double track, totaling 39 miles, train movements are made in either direction on both tracks under C. T. C. control. Thus, on the 196 miles of single track and the 39 miles of double track, train movements are authorized by semi-automatic C. T. C. controlled signals, the indications of which supersede timetable superiority, and take the place of train orders. On the remaining 94.3 miles of double track on this division, trains are operated by signal indication under standard double track rules, right-hand running, with automatic signal protection.

Character of the Line

The Arkansas division includes 323 miles of the Missouri Pacific route between St. Louis, Mo., and Texarkana where connections are made with lines extending to various points in Texas and Mexico as well as to the Pacific coast. Between St. Louis and Poplar Bluff, the Missouri Pacific has two routes. The most direct line via Bismarck, Mo., crosses the Ozark Mountains with numerous grades; therefore, this line is used only by passenger and fast merchandise trains from and to St. Louis. A second line of the Missouri Pacific extends from East St. Louis, Ill., down along the east side of the Mississippi river on a water grade to Thebes, Ill. On this 119.3 miles of roads, 87.6 miles are double track and the remaining 28 miles between Clinton, Ill., and Raddle Jct., is single track and equipped with centralized traffic control. At Thebes, the Missouri Pacific crosses the river to Illmo, Mo., and operates over tracks of the St. Louis Southwestern between Illmo and Dexter Junction, 47 miles, this territory being equipped with C. T. C. Between Dexter Junction and Poplar Bluff, 25 miles, the Missouri Pacific has a single track line that is used exclusively for freight trains. All of this route between East St. Louis and Poplar Bluff, via Illmo and Dexter Jct., has light grades, and for this reason a large percentage of the freight handled by the Missouri Pacific between the St. Louis area and Texarkana is routed over it.

At Texarkana, the Missouri Pacific connects with the Texas & Pacific, on which C. T. C. is in service on 90 miles of single track between Texarkana, Tex., and Longview.

Thus, except for the short single track 24-mile connection between Poplar Bluff and Dexter Junction, either double track or single track with C. T. C. is in service on the entire 477 route miles between East St. Louis and Longview, Tex., via Thebes, Dexter Junction, Poplar Bluff, Little Rock and Texarkana.

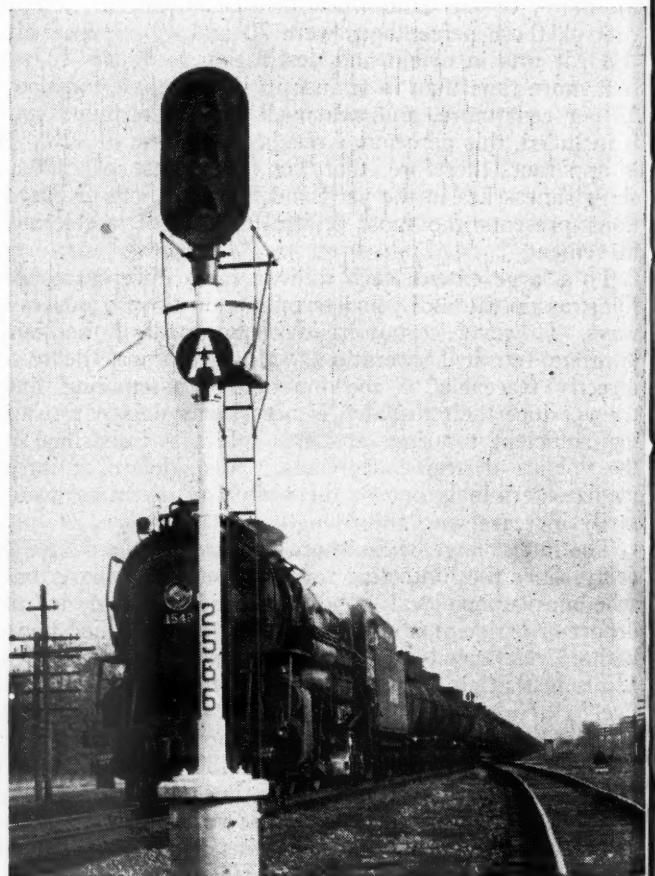
The Arkansas division lies in the broad flat valley

Centralized traffic control on 197 miles of single track and 39 miles of double track, with right-hand running on remaining 87 miles of double track

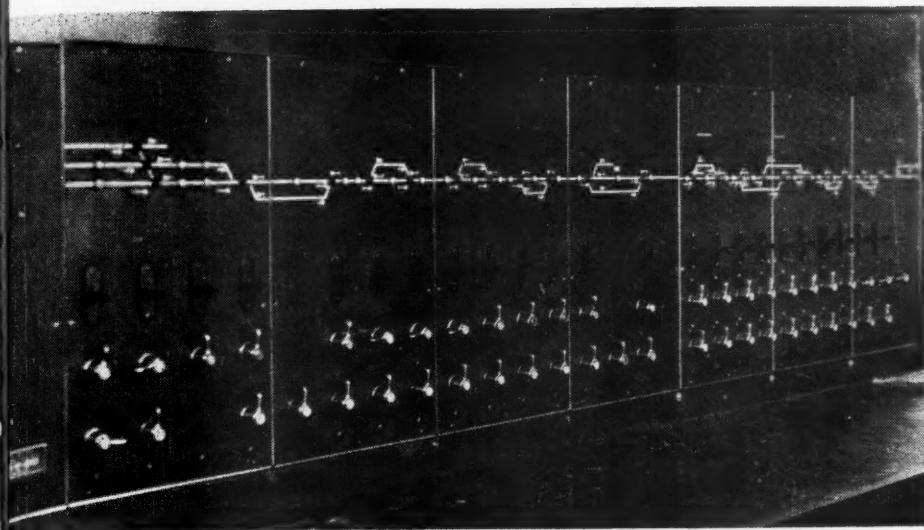
of the Mississippi river. The maximum grade is 0.45 per cent between Poplar Bluff and Little Rock, and 0.6 per cent between Little Rock and Texarkana. The ruling grade is 0.45 per cent between Poplar Bluff and Little Rock and 0.8 between Little Rock and Texarkana.

The line is tangent for long stretches, as for example, 28 miles between Knobel and Hoxie, and 32 miles between Hoxie and Diaz. The rail is 110-lb. or heavier, and the track is in good condition. The maximum speed limit is 50 m.p.h. for freight trains and 70 m.p.h. for passenger trains.

The locomotives used on most of the through freight trains are rated at 72,000 lb. tractive effort, and handle trains ranging from 90 to a maximum of 125 cars, with the siding built to hold 125 cars. Currently, 120 steam road freight locomotives are operated on this division. Since December, two new road freight 5,400-h.p. Diesel-



Each Semi-Automatic Signal Is Marked with the Letter "A"



Left—The C.T.C. Control Machine at Knobel, Ark.
Below—Map of Arkansas Division Main Lines

electric locomotives have also been operating over this division as part of their through run between Dupo, Ill., and Texarkana, and two more such locomotives will enter the same service in a few months. On one northbound run December 13, one of these Diesel locomotives handled 125 cars, 7,064 actual tons. All passenger locomotives run through between Poplar Bluff and Texarkana. The effect of such locomotive utilization is apparent when it is considered that there are 14 regularly scheduled passenger trains in each direction through Little Rock daily.

The principal section of double track extends from GG Jct., 83.5 miles through Little Rock to MM Junction at Benton. Other sections of double track extend 7.6 miles south from Poplar Bluff to Harviell and from Texarkana north 9.9 miles to Clear Lake Junction. Still other short sections of double track are located as shown on the map and listed on the table. These sections of second track were all built prior to the development of centralized traffic control.

Traffic Handled

The Arkansas division has handled as high as 802,224,000 gross ton miles per month during the war, August, 1943, as compared with a low of 154,891,000 in the depth of the depression, August, 1932. Gross tons per train mile were 2,676 in October, 1943, and averaged 3,542 for through freight in the direction of loaded traffic. On one day in October, gross tons per train mile on all trains averaged 3,144. These records were made despite the fact that the division originates a great deal of local traffic and local trains are operated daily in each direction on the main line.

Trains are also operated between North Little Rock and Bauxite Junction on a switching basis to handle the bauxite and alumina delivered there by the Bauxite Northern. This traffic has grown to the extent that a new yard was built at Bauxite Junction. The division also includes considerable branch line mileage. One of these branches serves the El Dorado oil field, in which an average of about 60 cars a day of petroleum products and asphalt originates. In all, local loading on this division totals between 8,000 and 9,000 cars per month, mainly oil, bauxite and alumina.

Between 25,000 and 30,000 cars are delivered to the Arkansas division monthly by other divisions and connections. The southbound movement consists of a wide variety of traffic while the northbound traffic is princi-



pally perishables and oil, both of which are handled on fast schedules. The oil trains are "main-tracked" over the division. Crews are called for the arrival time of the train in North Little Rock yard and these trains are frequently in this principal terminal on the division only ten minutes before continuing their movement north.

Growth of Centralized Traffic Control

The Missouri Pacific was a pioneer in the practice of authorizing train movements by signal indication on extensive sections of single track, such a project being installed in 1925 on a 50-mile subdivision between Leeds, Mo., and Osawatomie, Kan., this project being the forerunner of what is now known as centralized traffic control. In 1928, the Missouri Pacific installed centralized traffic control on 43 miles of single track between Edgewater Junction (Kansas City) and Atchison, Kan., and since then numerous other installations have been built so that, for the railroad as a whole, the Missouri Pacific now has 561 track miles of C. T. C., which is believed to be the largest mileage for any one road in the world.

Because of the benefits derived by the earlier C. T. C. projects, consideration was then given to the application of this form of train operation to various sections of

Tabulation of C.T.C. Territories

	Miles of Road			
	C.T.C. on single track or for either direction on both tracks of double track	S.T.	D.T.	Double track right-hand running
				D.T.
Poplar Bluff to Harviel		7.6		
Harviel to AA Jct.	50.5	4.9		
AA Jct. to BXB Jct.	30.7	4.7		
BXB Jct. to DOD Jct.				
DOD Jct.		1.7		
CC Jct. to DD Jct.		9.8		
DD Jct. to FF Jct.	12.5	1.7		
FF Jct. to GG Jct.				57.5
GG Jct. to Bald Knob				22.4
Bald Knob to Little Rock				
Little Rock to Hot Springs Jct.				
Hot Springs Jct. to MM Jct.		1.96		
MM Jct. to Etta	25.0			
Etta to RR	27.04			
RR to BCD				6.9
BCD to Clear Lake	51.1	8.59		
Clear Lake to Texarkana				
Total	197.01	39.25	86.8	

single track on the Arkansas division, rather than extending second track. In brief, this policy has been eminently successful.

The first C. T. C. on the Arkansas division was installed in 1930, on 0.17 miles of single track and 14.5 miles of double track between Diaz and FF Jct. This project included the junction with the White River division at Diaz, the single track over the White River drawbridge between CC and DD, and the ends of double track at DOD, CC, DD and FF. The use of C. T. C. controlled power switches and signals for directing train movements without train orders in this territory saved a great deal of train time.

Poplar Bluff to Knobel

The next installation of C. T. C. on this division was completed in 1937, on the 8 miles of double track and 26 miles of single track between Poplar Bluff and Knobel. At that time the schedules included 12 passenger trains and 8 freight trains, and about 8 extra trains were operated daily, thus totaling about 28 trains. The special problem which led to the installation of C. T. C. here was that 14 of the 20 scheduled trains, as well as some of the extra trains, were bunched for operation over this section in the period between 10 p. m. and 6 a. m., a volume equivalent to 42 trains in 24 hours. Confining consideration to the 8-hour peak period, the C. T. C. enabled the average speed of freight trains to be increased from 15 m.p.h. to 24 m.p.h., and that of passenger trains from 36 m.p.h. to 47 m.p.h. It was also brought out that when passenger trains were operated through the territory without taking siding, their average speed was increased because under train order operation enginemen usually reduced speed when approaching some of the block offices in order to observe the train order signal. Under C. T. C. operation, no such reductions in speed are necessary.

Hot Springs Junction to Etta in 1941

Double track extends from Little Rock south 25 miles to MM Junction. Insofar as through trains between Little Rock and Texarkana are concerned, the problem was to increase the track capacity of the single track south of MM Junction so that southbound trains would not be held on the double track, and so that northward trains could be moved up to MM Junction promptly to get them on the double track.

For these reasons, C. T. C. was installed in 1941 on

the 2 miles of double track and the 25 miles of single track between Hot Springs Jct., and Etta, the control machine being located at Malvern. The project included a crossover and junction at Hot Springs Jct., the end of double track at MM Jct., both ends of four sidings and one end of a fifth siding.

During 1941 and 1942, the traffic increased until the average during 1942 was 42 trains daily with a maximum of 65 trains being operated through Knobel in a 24-hour period. During the heavy traffic, the number of passenger trains ranged from 12 up to 18, and freight trains from 26 to 36 daily. As a general rule, the trains were seriously delayed on the sections of single track which were not equipped with C. T. C., i.e., between Knobel and Diaz and between Etta and Texarkana, often resulting in the necessity of holding trains in the C. T. C. territories, thus interfering with the operations on these sections. On the subdivision between Poplar Bluff and North Little Rock, the delays became so serious that numerous trains each month were tied up on the road, due to the 16 hour law. On account of the importance of moving the wartime traffic promptly, something had to be done quickly to eliminate the train delays which resulted from the use of train orders as well as the hand-throw switches at the passing tracks. The facts were presented to the War Production Board, which allocated materials for the installation of centralized traffic control. The project between Knobel and Diaz was completed in July, 1943, and between Etta and RR Jct., in February, 1943, and on 60 miles between Gurdon and Texarkana in March, 1944.

On each of the various projects and prior to the installation of the C. T. C., certain passing tracks were lengthened, the present car capacities of the power-operated sidings being shown in the accompanying table. Passing tracks, which are normally used for making meets, hold trains of 125 cars. The changes made in sidings to secure the maximum benefits from the increased flexibility of operation under the C. T. C. system are shown in the accompanying table.

In order to minimize delays to trains when entering

Changes in Sidings

	Former Car Capacity	Present Car Capacity
Neeleyville	87	125
Moark	88	125
Knobel	89	131
Peach Orchard	88	125
Delapaine	87	Two 125-car lap siding
O'Kean	90	125
Murta	89	125
Hoxie	154	187
Minturn	110	125
Alicia	113	125
Swifton	110	125
		Also new 120-car lap siding with coal and water facilities Removed
Vance	113	125
Tuckerman	108	125
Campbell	100	125
Russell	113	125
Traskwood	109	130
Gifford	89	125
Malvern	110	124
Etta	89	125
Donaldson	89	125
Witherspoon	89	125
Arkadelphia	73	125
Gum Springs	73	Removed
Curtis	89	125
Boughton	72	175
Prescott	86	187
SS Siding	61	Removed
Emmet	91	125
TT Siding	59	Removed
Hope	102	220
		Also new 125-car lap siding
Guernsey	90	125
Sheppard	90	Removed
Fulton	102	134
Homan	75	180

and leaving sidings equipped with power switches, the old turnouts were replaced with new ones which permit trains to make diverging moves at 30 m.p.h. According to calculations and tests made by the Missouri Pacific and based on an 85-car train, the use of a turnout good for 30 m.p.h. as compared with one good for 10 m.p.h. saves a train 3 min. 30 sec. when entering a siding, and 2 min. 39 sec. when leaving, with a normal main track running speed of about 32 to 35 m.p.h.

Locations of Control Machines

The first C. T. C. control machine installed on the Arkansas division, for the Diaz-FF Jct. territory, was located in an office at Newport, and this machine is still in service. When installing C. T. C. on the section between Hoxie and Diaz, the machine for this section was also located in the office at Newport, adjacent the original machine. When installing the C. T. C. between Malvern and Knobel in 1943, additional sections were added to the machine installed at Knobel in 1937.

The C. T. C. for train movements in either direction on both tracks on the 5 miles between AA Jct. and BXB Jct., through Hoxie, is controlled by a small machine located with the interlocking machine which controls the Missouri Pacific-St. Louis—San Francisco crossing at the Hoxie passenger station. The machine for controlling the C. T. C. between FF Jct., and Bald Knob, is located in the telegraph office at Bald Knob.

When installing C. T. C. between Etta and RR Jct., in 1943, additional sections were added to the machine which had been installed at Malvern in 1941 to control the Hot Springs Jct.-Etta territory. The C. T. C. between BCD Jct. at the south end of Gurdon and Texarkana is controlled from a new machine at Hope. Thus, in all, the C. T. C. on the Arkansas division is controlled from five offices—at Knobel, Hoxie, Newport, Malvern and Hope.

On the earlier projects, the C. T. C. control machines were located in the regular station buildings, one of which was of frame construction. In consideration of the delay to trains if one of these control machines should be destroyed by fire, a decision was made to provide small one-story fireproof brick buildings for the C. T. C. offices at Knobel, Newport and Hope.

The C. T. C. on the Arkansas division was installed in sections at such widely separated times that the benefits to train operation are difficult to calculate. Data are available, however, concerning the results accomplished on the 27 miles between Etta and RR Jct., which was placed in service in February, 1943. Comparing train operation for three average days before and after the C. T. C. was installed, the average overall speed of southbound freight trains was increased from 13.09 m.p.h. to 19.62 m.p.h., and the overall speed of northbound freight trains was increased from 13.63 m.p.h. to 17.25 m.p.h.

The C. T. C. and passing track extensions between Gurdon and Texarkana have not yet been in service long enough to enable their savings to be calculated. However, it is estimated that the average speed of freight trains between Little Rock and Texarkana has been increased from about 12 m.p.h. to about 17 m.p.h., which saves about 3 hours 40 minutes for each freight train.

The fact that each locomotive is received at its terminal at least three hours sooner than previously means that it can be turned and sent out again on another train that much sooner. Thus the serious need for more locomotives has been relieved considerably.

The first C. T. C. project on the Arkansas division,

between Diaz and FF Jct., was of the so-called unit-wire type which was developed by the General Railway Signal Company in 1927. In this type, each power switch and the four semi-automatic signals at the end of a passing track were controlled by one lever and a circuit including one wire and connection to common wire between the C. T. C. control machine and the field location at the power switch.

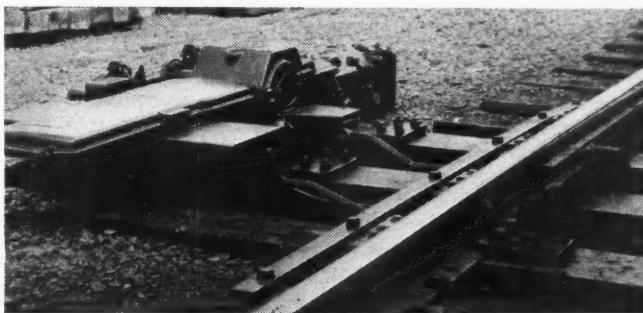
In order to reduce the number of line wires for the C. T. C. circuits, code line schemes were developed and the Missouri Pacific adopted a General Railway Signal Company system using three line wires from the C. T. C. control office to the end of the territory. The controls for the power switches and the semi-automatic signals, as well as the return of indications to the office to repeat the position of switches, the aspects displayed by signals, and the occupancy of track sections are all handled by codes on these wires. The C. T. C. control machines developed by the General Railway Signal Company and used on the Missouri Pacific installations on the Arkansas division with the exception of the 1930 project between Diaz and FF Jct., are of the sectional type, made up of sections each 10 in. wide, to permit more sections to be added when territories controlled from one office are extended. For example, the original machine at Knobel for control of the Poplar Bluff-Knobel territory had one master section and 4 control sections and when the Knobel-Hoxie territory was installed in 1943, 3 more control sections were added.

Color-light Signals Throughout

Prior to 1930, automatic block signaling using color-light signals had been installed throughout on the Arkansas division main line between Poplar Bluff and Texarkana. When changing over to C. T. C., certain changes and additions were required. A two-color, yellow-red, unit was added as a lower "arm" on each station-entering signal, so that the red-over-yellow aspect could be displayed with the switch reversed to authorize a train to enter the passing track. The main line station-departure signal was moved back to a point opposite the fouling on the turnout. Three-aspect, red, yellow or green color-light dwarfs were installed as the leave-siding signals. These semi-automatic C. T. C. controlled signals are absolute stop signals and are so designated by a letter "A" mounted on the mast.

The power switch machines are the General Railway Signal Company Model 5D, including dual control for operation by hand when making switching moves.

The centralized traffic control projects on the Arkansas division were planned and installed by the signal forces of the Missouri Pacific under the direction of P. M. Gault, signal engineer, deceased on September 16, 1941, and W. S. Werthmuller, signal engineer since that date. The major items of signaling and centralized traffic control were furnished by the General Railway Signal Company.



Power Switch Machines Are Dual-Control Type

How to Cope with Labor Scarcity

Railroad Retirement Board job director and maintenance of way officers discuss prospects for needed assistance and ways of securing it

WITH the manpower shortage the most serious problem confronting railway engineering and maintenance officers, especially in the face of the large essential programs of work in prospect for the months immediately ahead, the subject of Labor was given a foremost place in the program of the forty-fourth annual meeting of the American Railway Engineering Association in Chicago on March 14, as reported in the *Railway Age* for March 18. Leading off a three-part symposium on this subject, H. L. Carter, director, Bureau of Employment and Claims of the Railroad Retirement Board, discussed the Over-All Labor Picture, in an address, which because of a last-minute call to Mexico, was presented by Donald M. Smith, assistant director, Bureau of Employment and Claims. He was followed by T. A. Blair, assistant chief engineer, Atchison, Topeka and Santa Fe System, on the Employment of Mexicans, and W. G. Powrie, engineer maintenance of way, Chicago, Milwaukee, St. Paul & Pacific, on the Employment of High School Boys. Abstracts of these addresses follow:

The Over-All Problem

By H. L. Carter*

The Railroad Retirement Board has become the agency of the government primarily responsible for both the recruitment and stabilization of railroad manpower. In carrying out its responsibilities, the board needs the full co-operation of railroad managements, organized labor and all interested government agencies.

At the moment, the co-operative efforts of all interested parties should be turned toward the stabilization of employment. Nearly enough employees were hired by the railroads during the last two years to man the entire industry. Specifically, in the maintenance of way department, it is estimated that almost as many employees were hired in the calendar year 1943 as were in the employ of the railroads in the peak month of September, 1943.

To a considerable extent, Selective Service withdrawals account for some of the serious losses of experienced and qualified railroad employees. According to information published in the *Railway Age*, Selective Service took approximately 270,000 railroad employees up to the end of 1943. The future appears to hold very little prospect for the diminution of such withdrawals. The Association of American Railroads estimates that at least 50,000 more workers will be lost in the first six months of 1944, and that for 27 Class I railroads, 12,776 additional maintenance of way employees are scheduled for call by the armed forces.

In the last analysis, regardless of what may be done nationally to secure special consideration of the selective service problem of the railroad industry the problem is one with which the various local boards and state offices can be of help if they are convinced of the importance of railroad workers to the war effort and of their irreplaceability. In this connection, the board's employment service is in a position to furnish Selective Service local boards and state offices with information on the possibilities of obtaining replacements, and the importance to the war effort of railroad skill

* Director, Bureau of Employment and Claims, Railroad Retirement Board, Chicago.

and experience. Railroads should, therefore, feel free to call upon the board's employment service for assistance when requesting deferments and when preparing replacement schedules.

The losses of the more highly skilled employees through Selective Service withdrawals, as well as through their transfer to other industries, could be cut to some extent by the addition of many more railroad occupations to the so-called national list of critical occupations. The present railroad positions on this list are incomplete and misleading, since many railroad job titles do not appear on it. The board has made suggestions for the amendment of the national critical list to appropriate government agencies, but no action has yet been taken.

Must Stop Transfers

Fully as important as the losses due to Selective Service are the losses occasioned by transfers to other employment. Except for those effected for such reasons as personal hardship, the War Manpower Commission stabilization program is intended to prevent these losses by requiring, as a condition for obtaining new employment, a statement of availability or a referral by one of the government employment offices. The program has helped prevent the loss of skilled and semi-skilled employees, but casual laborers, few of whom have permanent home or family attachments, and customarily move from job to job at will, are still leaving the railroad industry in large numbers to obtain other employment.

The stabilization program of the WMC has a number of loopholes which permit employees to change employment without control:

First, transfers may be made to agricultural employment without either a statement of availability or referral. Second, employees who have remained out of work in essential activity for the last 60 days may obtain new employment without a statement of availability and are entitled to a referral if one is required for new employment. Third, any employee who is discharged by his employer is automatically entitled to a statement of availability or referral.

But even if the weaknesses of the program were remedied, the employment stabilization program of the WMC is only, at best, a preventative, and not a cure. A man denied a statement of availability or a referral is nonetheless dissatisfied if he is required to stay on his job. This makes it all the more important to root out causes for quits and resignations.

Incentives

Wages have, of course, been an important factor in causing quits and resignations, and a factor over which management has little or no control at the present time. While there is little or nothing that railroad managements can do about raising the wage rate, much has been done in other ways to increase the net income of maintenance of way employees. Some measures which have already been taken include a reduction in charges for board, with the railroad assuming part of the cost; paying trackmen for the time spent in going to and from job locations; providing a considerable amount of overtime; and furnishing camp cars, section houses or other housing at no cost to the employee.

Of importance next to wages as a cause for leaving railroad employment is housing. Inadequate housing has made it difficult for us to recruit workers in many sections of the country for maintenance of way employment, and has been a principal reason for applications for statements of availability at our offices.

Where roads are unable to provide housing for workers, the National Housing Agency will consider programming limited housing facilities, based, in part, upon a certification of the Railroad Retirement Board and, in part, upon its own investigation. However, as a matter of policy, the National Housing Agency will not allocate housing for employees in maintenance of way and structures work. Therefore, in view of their urgent need for workers, the railroads should make every reasonable effort to provide housing for their employees at points where present accommodations are inadequate.

Food parallels housing as an important factor in keeping men on the job. In this connection, I can do no better than to refer to the excellent report of your Committee on Labor, which states

that "it is probable that in the past no feature of labor camps has been of more importance in recruiting and holding men than food, and the way it was served."

In addition to providing more adequate housing and better food, it is suggested that consideration be given to providing recreational facilities for trackmen. Among the facilities which have proved helpful to some employers are recreational cars furnished with playing cards, checkers, radios, etc.

Much can be done to eliminate dissatisfaction among maintenance of way employees when they are required to remain at isolated locations for long periods of time. The remedy is week-end passes to the nearest town, or, when job locations are not too far away, daily transportation from town to job location and return, so that workers can live in town, many of them with their families. It has even been worthwhile in connection with the door-to-door pick-up and delivery of workers in sparsely settled areas to pay regular wages for the travel time.

Full-Time Manpower Officers

The important factors in the stabilization of employment which has been discussed, require, in general, a revision in thinking with respect to many practices of long standing. To bring about these changes, full-time officers should be appointed to devote their entire time to this stabilization problem. Such officers, like the Spanish-speaking railroad representatives in charge of the Mexican programs on many railroads, should work closely with the Railroad Retirement Board and, wherever possible, should interview workers prior to their quitting or their discharge, to determine the causes for their leaving. With the facts in hand, they should then make whatever adjustments are necessary to remove these causes.

Regardless of what is done by the railroads, or what assistance is rendered by the board in preventing losses of manpower and in reducing turnover, it will continue to be necessary to recruit large numbers of workers for the railroads. Positive, strenuous and ingenious efforts to solicit manpower are required and, in addition, some knowledge of the governmental manpower controls.

Manpower Controls

The War Manpower Commission has set up administrative machinery for the budgeting of labor in areas in which labor shortages are acute. In those areas, the priority system is usually made applicable to recruitment by employers by permitting employers to hire workers for certain occupations, or for all occupations, only upon referral by and in accordance with arrangements made with the government employment offices. The lack of proper priorities for railroad employers can interfere seriously with the ability of the railroads and the board to secure new employees for the industry, and its effect has already been noticeable. It has been suggested by the board that the railroad industry should be given the top priority rating, nationally and locally.

The railroad industry has been greatly handicapped by the limitations placed by the WMC on the recruitment of labor in one locality for work in another. The reasons advanced for the control of labor migration in other industries do not have the same force and applicability in the railroad industry. Wages, hours of work, and living conditions in the railroad industry are not such as to provide an inducement for any large number of employees to move from their present places of employment, and for the most part the railroads are providing housing and other living accommodations where none are available.

In other industries, wages are a considerable inducement to migration, and to some extent plants can be relocated in towns and cities where labor is available.

The manpower controls mentioned are generally made effective through the local War Manpower Commission stabilization plans, of which there are now some 257, most of which were adopted prior to effective representation of the industry on the joint management-labor committees adopting and approving them. Each plan has variations of its own; no two of them are identical in every respect.

The Railroad Retirement Board has attempted to obtain some degree of uniformity by standardizing its operating procedures, so far as this is possible, within the basic quilted pattern of the various local plans. But such uniformity can generally be accomplished only for the less essential elements of employment stabilization, and does not affect the variety of basic principles. What is needed is a single, nation-wide employment stabilization plan for the in-

dustry, which would be uniform in its basic principles, and which would be administered, interpreted, and applied uniformly in all sections of the country.

Board Offers Assistance

It is against this background of governmental manpower controls that recruitment will have to be conducted. The board's offices can be of considerable help in avoiding some of the pitfalls of these controls if recruitment by employers is done with its aid. Use of the board's facilities will benefit the industry through the scheduling of recruitment in areas served by more than one railroad so as to avoid the competitive practices that sometimes result in those roads paying the highest wages getting all of the men.

The board's facilities can also be of help specifically in the following ways:

(1) Advertising and Publicity—The board has distributed more than 900,000 copies of advertising material, and has engaged extensively in newspaper advertising. In practically all areas of the country, newspapers advertising for help is required to be cleared by the board under WMC regulations.

(2) Students—In accordance with arrangements being made by the board with school authorities to interest students in the educational, healthful, and recreational advantages of track work, it may be possible to obtain larger number of workers for summer employment than would otherwise be possible.

(3) Veterans—The board now maintains close contact with veteran re-employment facilities, army discharge centers, newspapers, and the American Legion, in an attempt to interest as many veterans as possible in railroad employment. Many of these veterans may be secured for maintenance of way work.

(4) Agricultural Workers—The board has addressed more than 120,000 cards to box holders on rural routes and, in addition, extensive efforts have been made by its representatives in regions where agriculture is the basic industry, to obtain agricultural workers for the railroad industry during their between-season periods.

(5) Service Personnel—Arrangements have been made by the board, on occasion, to obtain members of the armed forces for emergency railroad work. However, since present military regulations permit their release for outside employment only in emergencies, members of the armed forces cannot be considered as a potential supply of maintenance of way labor.

(6) Transfers of Surplus Labor to Shortage Areas—Recognizing the fact that in certain areas of the country supplies of surplus labor are normally greater than in other areas, and also that because of unusual circumstances such surplus supplies may develop any place in the country, the board has evolved methods whereby such supplies can be made known and utilized quickly in shortage areas.

(7) Recruitment at Off-Line Locations—Many railroads are now furnishing off-line transportation for men from practically any location in the country where workers may be found, with excellent results. In order for recruitment at off-line locations to be most successful, it is necessary that a representative of the railroad be present at the point of recruitment in order that hiring can be conducted on the spot, definite arrangements for transportation made, and supervision provided to the job location. In the absence of this arrangement, it is essential that some arrangement be made whereby the board's representative can obtain transportation for recruits from points of recruitment to job locations.

(8) War Prisoners—There has been considerable interest in the employment of war prisoners, particularly for maintenance of way work. It is my opinion that it will be impossible to obtain the use of war prisoners. The labor-management policy committee of the WMC has not yet approved the request of a single railroad for the use of prisoners of war, and it is not likely to do so so long as the labor organizations are opposed to their employment and there is a question regarding suitable safety precautions.

(9) Mexicans—The present ceiling for Mexican Nationals employed in this country is 40,000, of which 18,348 are now in service in this country. It is expected that, at least by the middle of May, enough additional Mexicans will have been brought into the country to reach the ceiling of 40,000. The WMC is now acting upon the requests for Mexicans, and it is expected that within the next few weeks each of the railroads will know how many Mexicans it will be allocated.

(10) Puerto Ricans and Jamaicans—Experience has shown that Puerto Ricans and Jamaicans are not as useful workers as Mexi-

cans, and railroad labor much prefers that Mexican Nationals be imported. There has been some discussion of the importation of Puerto Ricans for maintenance of way work, but none have yet been brought into the country, and none are expected for railroad work.

(11) Indians—Experience in the employment of Indians has been successful wherever special thought and study have been given to their working and living conditions. The board has access to a supply of Indians, and when proper arrangements can be made for their use, consideration should be given to their employment.

The special considerations outlined in the foregoing with respect to the use of various special groups points to the need of greater centralization of both employment facilities and personnel control. It has been found that wherever centralized hiring facilities have been established at a given point, the procedure has not only eliminated many of the delays in putting men to work, but has also prevented the loss of manpower, since each applicant's qualifications can be considered for all jobs available, rather than for those in one department only. Centralized control or supervision of personnel for an entire system makes for uniform hiring practices, for efficient and immediate transfer of men between divisions, and for better overall planning of the manpower program.

Aid from Mexicans

By T. A. Blair*

Mexico is the logical source of additional workers in the Southwest because of the similarity in climatic conditions there with those in their own country, and because of the large number of native Mexicans already living there. In general, Mexicans are not large in stature and, individually, do not have the potential strength of some of the labor that we have used in track gangs. The Mexican is a willing worker however, likes to work as a member of an organized gang, and is intensely interested in mechanized equipment.

Only in rare instances have we received Mexicans with previous track experience, and even they must be instructed in the rudiments of track work. If this is done by actual demonstration, they will learn quickly, and will endeavor to follow the demonstration to the smallest detail.

On the Santa Fe, we have no problem in interpreting the English language to the Mexicans. Many of our foremen came from Mexico, and most of the others speak enough Mexican to make their orders understood clearly. Furthermore, the new Mexican Nationals, through contact with our native Mexicans, soon learn enough English to understand orders. In territories other than the Southwest, where these conditions do not prevail, it will be necessary that each gang be provided with an interpreter. This situation can be handled best by securing with the Mexican laborers enough men who speak English to provide interpreters for each gang.

Allocation of Mexican Nationals is made by the War Manpower Commission. After this allocation, and the designation of the men at Mexico City, the men are transported to the border. To date, this has generally been done in Mexican railroad equipment. During these stages of handling the men, the Santa Fe has kept a man in Mexico City to facilitate matters in every way possible. The Mexicans that we receive come into the country at El Paso, Tex., and are transported in our own equipment to the points where they are to be used. We pay the fare of the employee in Mexico, and for his food; we also arrange for his food on the trip over our own lines.

Extra gangs are housed in bunk cars of the usual converted boxcar type. These cars are gone over carefully to be sure they are weathertight, and, immediately before the arrival of the Mexicans, they are fumigated. Eight to twelve bunks are placed in each car, depending upon its size. Each bunk car is furnished with kerosene lamps, a coal-burning heating stove, and a wash bench, with bucket and wash basin. Portable toilets are also furnished for each car.

The boarding outfit usually consists of a kitchen car, with a dining car coupled to each end, and has a seating capacity of about 120 men. There is also a commissary car, carrying the usual run of supplies.

* Assistant chief engineer, A. T. & S. F. System, Chicago.

Each camp is furnished with a shower car. This car has six to eight shower stalls at one end, and is equipped with overhead tanks for both hot and cold water. The opposite end of the car is equipped with dressing benches and two tubs for washing clothes.

We employ Mexican Nationals on our sections as well as in our extra gangs. On our sections, they are housed in our section bunk houses and purchase their food supplies from local dealers. We also employ some Mexican Nationals as shop laborers, who are housed and fed under conditions similar to those on our sections. The usual sanitary regulations are complied with at all camps, and these are checked periodically by Mexican consular representatives.

Board for extra gangs is furnished by a contractor at rates established for our regular extra-gang laborers. The contractor is familiar with the Mexican diet, and furnishes food conforming as nearly as possible to the wishes of the men.

The Mexicans' wages are paid in cash, and in full, except for Railroad Retirement deductions and for 10 per cent held by the Mexican government for the worker. On pay days, the men congregate with our native Mexicans, and as with any other group of men, some drink to excess. Our native Mexicans handle this situation without any trouble, but in other parts of the country it may be necessary to watch this situation carefully. As to safety, the Mexican Nationals that we have employed to date have turned in as good a safety record as have our other men.

A joint Mexican-American commission has been meeting in Washington, D. C. in an endeavor to work out clear-cut definitions under which Mexican Nationals can work on American railroads. I regret that up to this time no definite conclusions have been reached.

It now appears that the following restrictions will be placed on their employment:

The place of employment will be designated as a roadmaster's district, and if we have on any such district a contractor doing track work, either maintenance or construction, and the contractor's laborers receive a higher rate of pay than regular railroad laborers, we must not permit Mexican Nationals to work on that district, because it is their understanding that they will be paid the same wage as domestic workers for similar work. There will probably be an exemption for this in cases of washouts, slides, wrecks, fires, and acts-of-God.

Grading under contract with heavy machinery will probably be exempted, but incidental hand work, not necessary to the operation of the heavy machinery, will not be exempted.

High School Boys Help on the Milwaukee*

By W. G. Powrie†

Like many other railroads of the country, the Milwaukee experienced a serious shortage of labor for maintenance of way work during the last year, a shortage that still exists. Many section crews consist of the section foreman and only one or two laborers, and, at times, a few foremen have been without any regular laborers. Even at this time of the year when our need for extra-gang labor is low compared with the summer working season, we have only 60 per cent of the force required.

During the last year, maintenance of way officers on many railroads have employed high school boys. Some of these boys, 16 and 17 years old, have been employed in bridge and building work, some in section crews, and others in large extra gangs. Whatever these officers may have thought about the advisability or merit of using these boys in bridge and building or track gangs a year ago, they know now that a great deal of work has been completed by them, which otherwise could not have been done.

Last year about this time our division maintenance officers called on the high school authorities in the villages and cities along their divisions and sought their assistance in recruiting boys for work on the railroad. Part-time work was offered in section gangs

(Continued on page 643)

* An earlier and somewhat more detailed discussion of the employment of high school boys on the Milwaukee appeared in the *Railway Age* for August 14, 1943, page 273.

† Engineer maintenance of way, Chicago, Milwaukee, St. Paul & Pacific, Chicago.

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Report on Post-War Air Prospects

Railroads' research committee reviews operating and revenue position, technical limitations and government relations in sight for domestic air transportation

WASHINGTON, D. C.

A FACTUAL survey of the conditions under which domestic airline operations have been conducted, and are likely to be conducted in the foreseeable post-war period, has been released as an initial study by a subcommittee on air transport of the Railroad Committee for the Study of Transportation, the chairman of which is Judge R. V. Fletcher, vice-president of the Association of American Railroads.

Even though, as the report points out, federal, state and local governments have provided air transportation with services and facilities to such an extent that the major function of the airline operator resolves itself into furnishing and flying the airplanes, soliciting and handling passengers, and loading and unloading mail and express delivered to and picked up at the airport—with the result that the cost of fuel is usually the largest single item of airline operating expense—it is emphasized that it nevertheless is "extremely difficult to generalize on future flying costs per passenger-mile or per ton-mile because so many variable assumptions must be made."

Predicts Lower Operating Expenses

As a guide to immediate post-war conditions, the report comments upon an estimate by Dr. E. P. Warner, vice-chairman of the Civil Aeronautics Board, to the effect that improvements in airline equipment and better adaptation of it to the specific job to be done will contribute to a reduction in operating costs, as compared with pre-war standards, of some 15 per cent. On this basis, the post-war cost of operation would be in the neighborhood of 2.5 cents per passenger-mile for a medium-speed service—that is, about 200 m.p.h.—or 3.5 cents per passenger-mile for a higher speed service at 250 m.p.h., according to Dr. Warner, who likewise calculated a base airline cost for air express of 14 cents per ton-mile, airport to airport, not including the cost of door to door service.

This treatment of operating costs in the report is illustrative of the nature of the study, as outlined in a foreword by Judge Fletcher. "The facts have been assembled largely from aviation sources," he explained, "and no attempt is made to estimate future prospects from viewpoints other than that of proponents of transportation by air. Neither is there an attempt to suggest what should be the specific relations of railroads to air transport."

The report contains 63 pages of text and 50 tables and charts, in which the subcommittee has assembled, after nearly two years' work, basic information about planes and engines, the organization and operations of commercial air transport, the development of air traffic, and aspects of national policy on the question. L. F. Whittemore, assistant to the president of the Boston & Maine, served as chairman of the subcommittee. Other members are: E. E. Adams, vice-president of the Pullman

Company; R. H. Bierma, commercial attorney of the Chicago, Burlington & Quincy; Fred Carpi, assistant general traffic manager of the Pennsylvania; James Condren, Jr., statistician of the Chesapeake & Ohio; H. W. Dorigan, executive assistant to the trustees of the New York, New Haven & Hartford; W. H. Hobbs, director of research of the Missouri Pacific; Carleton W. Meyer, assistant to the president of the New York Central; C. G. Peterson, chief engineer of the Railway Express Agency; and P. J. Schardt, assistant vice-president of the Southern.

A Tentative Study

"While prepared primarily for railroad personnel," said Judge Fletcher, this initial report contains "essential facts which should be of value to all persons interested in transportation and its future development. The study is, in a sense, tentative, since the situation is constantly changing, due to discoveries and developments in a comparatively new field." Starting with an outline of basic technical data in which are set forth the fundamental facts of airplane operation upon which must be premised the data and estimates with which the report deals, the subcommittee has outlined the position of the 16 domestic airlines, their equipment and operations; the growth and prospects of air passenger and cargo transportation; government facilities, services and promotion afforded air transport; and federal air regulation and legislation.

The first of the study's 10 chapters deals with the technical foundation of commercial airline operation. In this the fact is brought out that the government has largely encouraged—and paid for—the development of airplane engines and propellers to attain that degree of dependability in service which is of peculiarly vital importance to a vehicle that depends upon its motive power not only to overcome its resistance to forward motion but also to hold up its weight.

The conclusion is emphasized that it seems likely that the principal element in airline operating expense, that is, the cost of fuel and lubricants, will continue for some time to come to be at least 3 cents per ton-mile of payload.

The Cost of Speed

In an examination of cost data the operating speed of the plane is a particularly important consideration, this chapter points out, because the power required, and therefore the cost of the fuel, increases as the cube of the speed, while the annual earning power of a plane increases almost directly as the speed is increased. All other conditions being equal, then, the cost for fuel to fly a plane a given distance at the rate of 300 m.p.h. is about 8 times the cost for the same flight at 150 m.p.h. Among other factors in the fundamental cost analysis

are two in which aviation has a favorable position, in comparison with other forms of transportation, the study adds.

These are: Shorter distances between terminals—the airline mileage between cities being on the average nearly 20 per cent shorter than the railway or highway mileage—and the exceptionally high rate of depreciation for income tax and rate-making purposes allowed by the government on airline flying equipment. If depreciation were more nearly based on the actual service life of the equipment, the report explains, depreciation rates would be one-half or one-third of those now allowed.

The second chapter outlines the circumstances under which the existing domestic airlines have developed and the parallel crystallization of the philosophy and machinery of government regulation of their activities, particularly through the Civil Aeronautics Act of 1938. As here pointed out, no new airlines have been granted permanent certificates for combined domestic passenger, mail and express carriage since the basic pattern of air operations was established under the "grandfather clause" provisions of the act, though the existing air lines have been permitted realignments and additions of many thousands of route miles.

Airlines' Part of Express Expense

In a review of recent changes in airline rates the subcommittee has called attention to the fact that, although basic rates, both passenger and express, have recently been somewhat reduced, or at least adjusted to absorb various forms of discounts that formerly were allowed, the return to the air companies on air express business—airport to airport—is still about 47.5 cents per ton-mile, even though all other expenses incident to the operation beyond their own service are separately provided for.

In contrast to this return from their express business, the airlines should be able, according to the calculations of Dr. Warner, to move such traffic at a base cost of 14 cents per ton-mile, airport to airport, not including door-to-door service and other supplementary expenses, the report points out.

Taking up the practical possibilities of gliders or "air trains," the subcommittee finds it difficult to foresee that there will be extensive commercial use of them in regularly scheduled common carrier operations. On the other hand, many new possibilities in air transportation may open up, it is believed, if helicopter development continues to progress successfully, even though there are at present many problems of refinement still to be overcome in this branch of air operation.

1943 Earnings Per Plane \$650,000

The fourth chapter of the report emphasizes two distinctive fundamental economic characteristics of the air transport industry: (1) the high revenue-producing power of the airplane (the actual revenue per plane for the fiscal year 1943 was about \$650,000); and the relatively low investment of the airline operator—as distinguished from that of the public which provides most of the ground facilities—in property other than actual flying equipment. The situation shows up in the data reported for the industry in the fiscal year 1943, when gross revenues of \$114 million and an operating profit, before taxes, of almost \$32 million were produced with a fleet having a net book value of \$15,334,000. Although such results reflect exceptional wartime conditions, be-

tween 1937 and 1942 there was a rapid rate of increase in domestic air traffic and in the fiscal year 1939 the air lines, for the first time, showed no deficit, taken as a group.

Importance of Mail Revenues

Among comparative figures on rail and air operations, the report points out that air passenger revenue in fiscal 1941 was 29 per cent of railway Pullman revenue for the calendar year 1941, while air executives predict this ratio may reach 66 per cent in the post-war period. In 1942, the ratio of air express revenue to that of rail express was 3.5 per cent. The revenue from air mail in fiscal 1943 was 21 per cent of total airline revenue, although the average mail load per plane was only 15 per cent of the total revenue load. The revenue per mail ton-mile was reported as about \$1.50, or nearly three times the 50½ cents per ton-mile received for hauling passengers, who in 1942 made up 85.6 per cent of the average pay load. Stated in another way, the airlines were paid appreciably more for flying 5.53 per cent of the non-local first-class mail than was paid to the railroads for handling over 94 per cent of the same class of mail.

The subcommittee remarks that aviation enthusiasts have been urging that long-distance letter mail should be handled by air at regular letter mail rates, while others have been advocating creation of a system of air parcel post. Studies of the possibility of a large future expansion in pick-up air mail routes and of related local and feeder air operations are in progress, the report adds.

In a consideration of prospects for the greater development of air passenger traffic, the study lists these factors which tend to encourage this growth: Speed, frequency of service, probable saving in cost, reduced round-trip rates, recognition of credit cards, free meals en route and no tips, sales commissions, hotel encouragement, co-ordinated bus or taxi service, free parking at airports for passengers' automobiles, direct service without charge, alternative routings, prestige of air travel, and avoidance of the need for undressing and dressing en route.

Objections to Travel by Air

To be weighed in the scales against these factors, the following considerations unfavorable to air travel are listed: Overcoming the fears of family or employer, possibilities of cancellation or delay of scheduled flights, advance reservations requirements, obstacles to reservations from off-line points, undependable arrival times, time and cost of travel to and from airports, baggage limitations, air sickness and "other discomforts," and additional hotel bills.

Another chapter of the study deals at some length with the air cargo prospect. Many elements in the handling of common carrier freight or express by air will always make such service more costly than by rail or truck, the subcommittee explains. Among causes of high cost that cannot be ignored in the practical application of currently popular theories about the future low cost of flying cargo are mentioned these: Transfer to airport; maintenance of two freight terminals, one downtown, the other at the airport; speed in ground service; pre-weighing; plane-side weight tallies; distribution of weight within the plane; anchoring of cargo in the plane; interline transfers; high proportion of off-line shipments;

complicated allocation of interline revenues; elaborate information service; shut-out and cancellation expenses; and fluctuations in volume.

Surveying the position of the Railway Express Agency in this phase of air transportation, the report points out that co-ordination of air and rail express has proved a convenience to shippers, as is indicated by the fact that approximately 30 per cent of air shipments move part way by rail. It explains that pre-war air express traffic consisted largely of articles or goods used in the process of production, rather than of ordinary consumer goods, since speed is often of particular value to the former, but rather rarely to the latter. Since consumer goods are generally produced in mass lots, there is usually a period of storage either preceding or following distribution, or both, it adds, and often another period of storage or display by the retailer before the ultimate sale to the consumer, so that the effect of speedy carriage is neutralized.

Extent of Public Aids

While no attempt was made in this initial report to set forth the dollar value of assistance extended to airlines with the use of government funds, such aids have been, and are, a major force in the advancement of domestic air transport, even though they are used jointly by the military establishments and civil aviation, the subcommittee explains.

The study discusses briefly the following as facilities and services furnished at public expense or arranged for by government agencies: Airports (including land, paved runways, drainage, lighting and maintenance); passenger terminals; hangars; administration and control buildings; airways and aids to navigation; traffic control; flight strips; weather forecasting and observing; research on equipment, ice elimination, fuel, radio, and radar; testing equipment and airports; and examination and licensing of pilots and mechanics.

The final chapter of the initial report is devoted to federal legislation and regulation concerning air transportation. Here the view is expressed that, up to this time, adequate consideration has not been given to the integration of air transportation policy with a broader national policy covering all agencies of transport, nor has there been sufficient consideration of the development of co-ordination between air, land, and water transport. The nation needs, but does not have, a unified transportation policy, the subcommittee concludes, a policy designed to stimulate co-ordination and cost-reducing competition.

Failure to adopt such a uniform policy, it says, has led to much confusion and to wasteful duplication of a vitally important public service.

National Transportation Policy

In this connection, the study contrasts the construction placed by the C. A. B. on the "acquisition of control" section of the Civil Aeronautics Act, which substantially results in prohibiting surface carriers from acquiring control of air carriers, to the national transportation policy set forth by Congress in the Transportation Act of 1940, a more recent statute, which stresses the importance of "developing, co-ordinating and preserving" transportation by water, highway, and rail, as well as "other means,"—this last phrase necessarily including air transportation, as the subcommittee comments.

How to Cope with Labor Scarcity

(Continued from page 640)

during the months that school was in session, and full-time work during the school vacation periods. By April about 500 boys had signed up for work, with about 200 already actually working weekends. When the schools closed in June, the recruiting gained momentum to the extent that we had more than 1,300 minors on the maintenance of way payroll by the close of that month.

Where the type of work to be done permitted, the boys were organized into large extra gangs and, in a few instances, camps were provided for them. These camps were made up of standard extra-gang outfit cars equipped with running water and electric lights. Shower baths were provided, and the camps were otherwise made as comfortable as possible. Meals were regulated to the boys' requirements. Generally, where the work was not too far from their homes, the boys were transported to and from work in highway buses rented for that purpose.

Proper supervision over the boys, both in the local gangs and those living in camps, received careful attention. Foremen were selected with care, an effort being made to provide supervisors with some natural ability to get along well with boys. In some instances school teachers or coaches were employed to act as monitors. In large gangs, an increased number of lead men and assistant foremen have been found desirable, but where only a few boys are employed in an otherwise stable section crew, no special problem has been encountered.

Because few of these young men have had any previous work experience, their safety is a matter for real concern. When first employed, and daily thereafter, they must be instructed in safe working practices. They must be required to familiarize themselves with the safety rules and, each day before starting work, the foreman must impress upon them the importance of following those rules. In addition, the foreman must instruct the boys in the proper use of their tools. The only satisfactory Safety First record is, of course, a total absence of injuries. We did not reach that goal, but did have surprisingly few injuries among the boys, none of which were of a serious nature.

Boys Found Satisfactory Workers

Our experience has shown that most boys 16 and 17 years old are willing to accept the full responsibility of railroad bridge men or trackmen. A few of them do not learn the importance of that responsibility immediately, and may act on a sudden impulse to go swimming or to a ball game, but no mischief is intended.

In general, the turnover and absenteeism in the boy gangs was made lower than in those gangs made up of regular transient extra-gang men. Furthermore, the quality of the work done by the boys is satisfactory. It is especially noticeable that they like and excel in the handling of any type of power tool.

While the progress made by some of our boy gangs was slow compared with what might have been made by a gang of experienced trackmen, the boys completed many jobs for us that otherwise could not have been done. Many of the boys, distributed in small numbers among the section crews, carried out general track maintenance work. In other instances, they were worked in groups of 50 to 100 in ballasting gangs, which completed a total of about 110 track miles of reballing and surfacing work. In one case, a gang of about 100 boys, with the help of about 20 experienced trackmen, constructed a section of about nine miles of new second main track.

With the opening of the school semester last fall, we, of course, lost the services of the majority of the boys. Some of them, however, have continued working part time throughout the winter months, and we now have about 150 minors working on that basis. We are now making arrangements to employ high school boys during the coming summer on about the same basis as last year.

I do not want to leave the impression that our labor problem can be solved through the employment of high school boys alone. It is a fact, however, that these young men can be used successfully in all of the classes of maintenance of way work where inexperienced help can be employed, and are a source of some relief to our labor problem.

Favors Land Grant Rate Repeater

Subcommittee votes to report amended version of Boren bill to House committee on interstate and foreign commerce; War Department still opposed

WASHINGTON, D. C.

FOllowing through promptly from the close of its public hearings on March 23, the House interstate and foreign commerce subcommittee headed by Representative Boren, Democrat of Oklahoma, on the following day voted to report favorably to the full committee an amended version of H. R. 4184, the land-grant-rate repealer sponsored by Mr. Boren. The report to the full committee is not expected to be made until after April 12, when Congress is scheduled to reconvene after an Easter recess.

One of the amendments agreed to by the subcommittee would fix the effective date of repeal 90 days after bill's enactment date. The other would direct the attention of the Interstate Commerce Commission to financial benefits accruing to the railroads as a result of repeal, thus assuring consideration of such benefits in rate proceedings.

As noted in last week's issue, page 605, a postponement of the effective date of repeal was suggested by the Board of Investigation and Research as an alternative to a requirement that railroads return to the government any granted lands still held and not used for carrier purposes. The I. C. C. "attention-director" amendment would be in line with suggestions made at the hearings by Representative Hobbs, Democrat of Alabama, as reported below.

Army and Government Clerks Opposed to Repeal

In addition to the Hobbs suggestion the subcommittee at its final hearing session on March 23 heard presentations in opposition to repeal from Colonel E. C. R. Lasher, deputy chief of the Army Transportation Corps' Traffic Control Division, and from two clerks of the General Accounting Office who appeared as "private citizens." Subcommittee Chairman Boren announced that the G. A. O. had been invited to express its views, but had stated that it did not desire to be heard.

The War Department's opposition to repeal, as expressed by Colonel Lasher, was based entirely upon its reluctance to pay more for railroad transportation—the decision as to the propriety of the deductions "is not a military decision," but one for the Congress. Meanwhile, it was brought out in the questioning of the colonel that if non-land-grant roads were to cancel their equalization agreements, they would perhaps receive "very little less business than they get today" because of the "physical impossibility" of handling the volume over the land-grant routes. He agreed, however, that cancellation of the equalization agreements would perhaps be considered "unpatriotic"; for "we in the War Department would perhaps consider that they were taking advantage of a situation over which we had no control and greatly increasing our difficulties."

In getting under way with his presentation, Colonel Lasher had previously told how the War Department has become "the largest shipper of freight and trans-

porter of passengers." And, Representative Holmes, Republican of Massachusetts, broke in to say, "it also receives the greatest amount of rebates in the history of the world." The colonel replied that the War Department does not call the deductions "rebates"; it considers them "repayments to the government for benefits received."

Would Increase War Department Costs

Passage of the bill, he went on, would confront the Department with "tremendous" increases in its transportation costs. It is now paying about \$1½ billion a year for inland transportation, and Colonel Lasher felt "safe" in saying that this is only 83 to 90 per cent of what it would have to pay without benefit of land-grant rates, i. e., they mean a 10 to 17 per cent saving.

He conceded that it would now be relatively easy to obtain appropriations to cover this increased transportation bill, but he was looking ahead to the post-war period of less easy appropriations when the Department would want to get the most possible transportation for a given amount of money. To a question from Representative Harris, Democrat of Arkansas, asking whether the Army had given any thought to what the deductions were costing the railroads and as to whether they result in fair and just rates, Colonel Lasher replied in the negative, adding that the War Department is a buyer of transportation, getting the lowest rates it can. Moreover, he feels that if the land-grant rates were costing the carriers money, the non-land-grant roads would not have entered equalization agreements.

In the latter connection, Representative Newsome, Democrat of Alabama, suggested that the carriers might have had a "patriotic motive"; and Colonel Lasher conceded that "they could." To Representative Brown's (Republican of Ohio) suggestion that the equalizers are being "penalized" in order to make the land-grant lines pay for benefits received, Colonel Lasher replied that the former have nevertheless been "willing" to equalize in order to get "this so-called unprofitable business." Whereupon Mr. Brown asked if they weren't "compelled to be willing" in order to get the business. It was in reply to this that the colonel, as noted above, stated that the equalizers would not lose much business under present conditions.

Boren on What "Voluntary" Means

Later on Chairman Boren had something to say about the "voluntary" nature of the equalization agreements. What is "voluntary" in this country, he said, has become a "peculiar thing." He went on to tell how he had quit growing cotton because he neither wanted to join the Department of Agriculture's farm-benefit programs nor submit to the alternative of paying \$50 for each bale grown. Getting out of the cotton growing

business, he added, was "voluntary" with him—"voluntary, or else." Colonel Lasher said the War Department has always considered equalization as a "voluntary act" on the part of non-land-grant roads.

Discussing with Representative Brown the effect of land-grant deductions on the general rate level, Colonel Lasher asserted that commercial railroad rates do not reflect the land-grant situation. Mr. Brown disagreed, pointing out the I. C. C. considers railroad revenues in fixing rates, and that land-grant deductions make revenues less than they would be if the government were treated like other shippers. Yet the colonel refused to subscribe to Mr. Brown's view that repeal should either send commercial rates down or prevent them from going up.

Mr. Brown next asked, what would become of the money; and Colonel Lasher replied that 81 per cent of it would go back to the government in taxes, while the other 19 per cent would be retained by the railroads. "Then," Mr. Brown observed, "the whole argument is over 19 per cent" of the amount involved in the deductions. The colonel also told the congressman from Ohio that the War Department has "possibly 200" land-grant-rate clerks, 60 to 75 of them in the Office of the Chief of Transportation. He added that the deductions at \$250,000,000 a year will "hire a lot of clerks" at an average annual salary of \$2,400.

Contracts Written with Eye on Deductions

Representative Priest, Democrat of Tennessee, brought out how the War Department writes its contracts in a way which puts it in a position to take all possible advantage of the land-grant set-up. For example, it has provisions stipulating that the government may take title to materials at point of origin, or that it may furnish materials to a manufacturer or construction firm. Representative Reece, Republican of Tennessee, questioned whether the government should enforce a contract like the land-grant deal, which "has taken an entirely unforeseen turn." Colonel Lasher did not care to comment on the "morals of the United States government." He reiterated that the War Department is "taking advantage of a statute"—whether the statute is ethical or moral "is beyond the scope of the War Department."

Chairman Boren got Colonel Lasher's agreement to his suggestion that the War Department would not hesitate to come before Congress to ask for any money it needed to construct railroad facilities for wartime transportation. He then asked why the government should not adopt a "fair-minded attitude" toward the railroad industry which has made such appropriations unnecessary, having expanded facilities and "worn out equipment" meeting the government's wartime transportation needs.

Army Recognizes Importance of Railroads

The colonel agreed that the railroads have done these things, but he did not concede that the War Department as a general practice required the carriers to forego normal business in order to handle its traffic. "Why," Mr. Boren asked, "don't they go ahead and carry people on vacations and not carry troops—isn't the War Department demanding that?" Colonel Lasher thought the "sovereign people" were demanding that, but Mr. Boren still insisted that the War Department was making "unusual demands" on the railroads, and he asked if the Department didn't have an obligation to keep the country's transportation system adequate for the future.

Elaborating on the latter point, the chairman recalled

testimony at the earlier sessions that "even some of the best railroads of the country are going to be bankrupt" if land-grant rates are finally applied to items in dispute and refunds have to be made to the government. As to the present, Colonel Lasher took issue with such testimony; as to the future, it "may be right." He admitted that the War Department has not looked into the refund matter; but he assured the committee that the Department does recognize the "utter importance of railroads as a basic requirement for war prosecution."

With further questioning, Chairman Boren pointed up the Lasher presentation as one which did not go into the "merits" of the situation, but merely showed the effect of repeal on the Army's transportation costs. Mr. Boren thought he saw some "inconsistency" for he knows of "numerous" instances wherein the Department has "thrown economy to the winds"—the Canol oil project, for example. He suggested that in the land-grant-rate matter the Department has not "looked beyond the day." Colonel Lasher assured him that it had, stating again the Department's recognition of the railroad's worth. He feels "personally" that there is "some basis for the railroad contention." Because it might be "embarrassing" to the witness, Chairman Boren did not press for further elaboration of Colonel Lasher's personal view. As the chairman noted, the colonel was on hand to express the War Department's "official opposition" to repeal.

Representative Hobbs' presentation amounted to a speech wherein he "challenged" the committee to write a bill which would remove land-grant rates and thus eliminate the discriminations which they cause, while at the same time preventing the benefits of repeal from accruing to the railroads. The representative was not too specific, but his responses to questions indicated that he had in mind some such provision as the aforementioned amendment which would direct the attention of the I. C. C. to the augmented revenues accruing to the railroads.

Hobbs Doesn't Want Roads to Benefit

In Mr. Hobbs' opinion the land-grant rates were wrong originally, but he nevertheless insisted that the railroads thought they were driving "a shrewd bargain," because "they did not expect the government to have any freight within the lives of the managements of that time." When the government got a little freight, he went on, they "squealed" and got the "free of toll" language of the land-grant statutes interpreted to mean 50 per cent rates. Then they got the deductions removed from non-military freight; and now they are around after "the third and final bite." The railroads, as Mr. Hobbs sees them, "don't need any nurse maids—they know their stuff." He asked the committee to "excuse me for laughing" about previous testimony to the effect that the carriers "are afraid that Lindsay Warren [the Comptroller General] will outfigure their rate experts."

And so Mr. Hobbs went on, giving the subcommittee members a preview of some of the speeches they will perhaps hear if the bill reaches the floor of the House. He conceded that it would perhaps be impractical to require a return of granted lands still held by railroads; but he wanted something done to give the whole people the benefits of repeal. He asked the committee to find out what the granted lands were "intrinsically worth," including the value of minerals, etc.; for "they've got oil wells capped out there and hidden—I don't mean the railroads have, but private interests and the railroads knew they were there when they sold the land."

To this "intrinsic" worth, Mr. Hobbs would add an

amount which would approximate the difference between "reasonable" rates and the "exorbitant" rates charged by the railroads before the establishment of the I. C. C. Then he would have these values distributed to the people. Representative Newsome was "confused" by the presentation, but Chairman Boren finally got Mr. Hobbs to agree that he was advocating repeal with conditions requiring a general rate reduction or its equivalent in the prevention of an increase.

Calls for "Justice to All the People"

Chairman Boren pointed out that the I. C. C. has "seven times" recommended repeal, but Mr. Hobbs' understanding was that the commission has been recommending that "we cut the tail off the dog right back of the ear." His own recommendation is that "we don't just repeal and call it a day," although he admitted that it was "beyond" him to make the calculations which he suggested as to "intrinsic" value of the lands and "exorbitant" freight rates of early years. Nevertheless, he insisted that there are people in the country who could make such calculations and "approximate justice." Representative Newsome didn't see how the committee was going to pin down such an "intangible" as "justice to all the people"; but Mr. Hobbs warned that it "certainly isn't going to set well on the stomachs of the general public to see this windfall put into the pockets of the few."

The two General Accounting Office employees who appeared as "private citizens" to oppose repeal were Lyman C. Delle and W. G. Bohnstengel. Mr. Delle made a lengthy statement wherein he undertook to show that the railroads had not yet returned in deductions the value of the lands received.

Also, he undertook to answer the eight reasons in favor of repeal which were set forth in the B. I. R. report, as noted in last week's issue. In support of his contention that the railroads have not yet paid back the value of the lands, Mr. Delle based his valuation on the gross proceeds from sales, plus the appraised value of lands still held.

Confronted with the fact that the B. I. R. report showed total deductions to have more than equaled the land value even on this basis, Mr. Delle advanced the theory that the only proper offset against the land values would be the required deductions made by land-grant roads, i. e., he would not count the "voluntary" deductions arising out of the equalization agreements. Mr. Delle finally told Chairman Boren that he would not object to repeal, after deductions on his theory, have equalled the land values—provided the war is over. He thinks land-grant rates should remain available to the government for the duration in any event.

"Overbilling" Charge Falls Flat

Mr. Bohnstengel was billed by Mr. Delle as one who had figures showing that the railroads have been billing the government for "exorbitant amounts," taking advantage of the fact that bills are not audited prior to payment and thus obtaining the use, without interest, of the money until the time of refund. When Mr. Bohnstengel didn't live up to this billing, Mr. Delle conceded that any over-billing was not "deliberate," but merely the result of the railroads' view as to the applicability of land-grant rates. It developed that the principal case which Mr. Bohnstengel had in mind was that involving the application of export rates to Pacific coast ports, where the government was billed at domestic rates because of its inability

to conform to tariff regulations applicable in connection with the lower export rates.

As J. M. Souby, general solicitor of the Association of American Railroads, later explained in "clarification of the record," the matter was recently settled by mutual agreement before the investigation which the I. C. C. instituted came to hearing. The settlement calls for a retroactive adjustment whereby the government gets the export rates without land-grant deductions or domestic rates with land-grant deductions, whichever is lower. Also, it gets an allowance for certain handling operations which it performs at the ports.

Meanwhile, Mr. Delle had insisted in response to Chairman Boren's questions that his interest in land-grant repeal was "strictly academic." Repeal would have no effect on his present position as senior auditor of passenger travel, he said. While admitting that his position was "directly involved," Mr. Bohnstengel assured Mr. Boren that so far as he is concerned "they can call it off tomorrow"—he wants "to go home" to his farm in Indiana.

Railroads Intensify Waste Paper Salvage

RAILROAD records, tabulating-machine cards, old ticket stock and other forms of waste paper are now working to win the war as a result of intensive salvage efforts undertaken by the railroads. So thorough have been the efforts of the railroads to do their part to offset the paper shortage that many are using photographic processes for copying waybills and other records in order to avoid using paper, while some are using these processes to record existing documents and thus release paper for scrap. In more than one instance, the storage space made available by the discarding of useless records or the use of photographs has solved a storage problem or eliminated the necessity for expanding facilities.

Obsolete records, ledgers, cancelled checks, tabulating cards, old ticket stock, paper board, corrugated board, books, magazines, newspapers, wrapping paper, waste basket paper and other paper products are among the items salvaged. As a result of the intensified efforts since the first of the year, paper scrap accumulations have increased as much as 50 per cent on some railroads.

Salvage efforts have been stimulated by the widely-felt shortage of paper caused by an unprecedented demand, coming at a time when the supply of wood pulp is diminishing as a result of labor shortages in the woods. It is also stimulated by knowledge of the fact that 40 per cent of the total paper production must be salvaged if serious consequences to civilian economy and the war programs are to be avoided.

The waste paper collected by the railroads is going to war in the form of containers for foods, medicines, blood plasma and other supplies. It is also used in bands for bombs, in shell cases, ammunition chests, practice bombs and camouflage material. It takes 25 tons of blueprint paper to build one large battleship. A total of 700,000 different kinds of items are purchased by the Army, which must come wrapped in paper or boxed in cardboard.

Although the railroads have been active since the beginning of the war in saving paper for military use, they have intensified their activities since the first of the year

by bringing their record-discarding schedules up-to-date and by weeding out of files papers which no longer have value. As a result, records which the Interstate Commerce Commission requires the railroads to keep for stated periods, are now being discarded immediately upon the termination of the period while the time for keeping other records has been shortened. In addition to the large amount of paper that has been salvaged from general office files, an equally large amount has been secured from the files at points on line. Even newspapers, cigarette and candy wrappers and other paper accumulating at local stations are being turned over to Boy Scouts and others conducting community waste paper salvage drives.

Among the railroads which have been particularly active in salvaging paper is the Chicago & North Western. To reduce the amount of paper consumed, it is copying waybills and other freight office records on microfilm at Proviso, Ill., Milwaukee, Wis., and the Twin Cities. At the same time it has curtailed its records to a minimum through a general "house cleaning" of files. Its accounting offices at Ravenswood in Chicago, for example, salvaged 55,000 lb. of paper in January, 12,000 lb. in February and 75,000 lb. in March.

The Chicago & Eastern Illinois, which sold 105,058 lb. of paper scrap in 1943, expects to increase the amount 25 per cent in 1944.

The Illinois Central sold 108,207 lb. of paper scrap in December, 1943, of which 30,000 lb. was salvaged from its offices in Champaign, Ill. As a result of its activities,

its paper scrap has increased in volume, as compared with normal, to the amount of 78,505 lb. in January and 79,330 lb. in February.

The Missouri-Kansas-Texas conducted a "house cleaning" at Parsons, Kan., St. Louis, Mo., and other points which not only salvaged paper but resulted in making storage space available. At Parsons, seven carloads of paper were salvaged, with the result that 40 per cent of the building's storage space was made vacant.

The Chicago, Burlington & Quincy, in an effort to do as thorough a job as possible, has assigned a man in the accounting department to uncover sources of salvageable paper and supervise the "house cleaning" of files. This railroad collects waste paper from all stations and offices. It also uses microfilm for reproducing waybills. As a result of its intensified efforts, collections during December, 1943, and January and February, 1944, were 132,630 lb. greater than in the same months a year ago and despite the fact that in February, 1943, files were given a house cleaning. In December, 1943, the record room at Chicago was worked over and about 50 tons of paper were salvaged.

The amounts of paper salvaged by the Burlington in the months referred to are as follows:

Month	Amount Sold	Month	Amount Sold
December, 1942	84,359 lb.	December, 1943	245,501 lb.
January, 1943	111,854 lb.	January, 1944	188,971 lb.
February, 1943	217,246 lb.	February, 1944	111,617 lb.
Total	413,459 lb.		546,089 lb.
		Increase	132,630 lb.

Communications . . .

Lincoln and the Standard Gage

To THE EDITOR:

The letter of Edwin Swergal, printed in the *Railway Age*, March 4, 1944, under the title "Dramatic Briefs of Railroad History" contains a most interesting account of the events connected with the joining of the tracks of the Union Pacific and the Central Pacific on May 10, 1869. His statement calling attention to the fact that the "driving of the golden spike" took place at Promontory (or Promontory Summit), Utah, and not at "Promontory Point," as commonly but incorrectly named, is a helpful contribution to railroad history.

One can readily agree with his praise of the motion picture "Union Pacific" as a realistic portrayal of the scenes incident to railroad construction in the "wild" west of that era. Mr. Swergal's letter contains much other interesting information about the location and construction of the Union Pacific Railroad in that period. He states that in the Enabling Act of 1862 it was provided that the track "shall be of uniform width, to be determined by the president of the United States so that, when completed, cars can be run from the Missouri river to the Pacific Coast." What actually took place between the approval of this Act on July 1, 1862, and the final determination that the gage should be 4 ft. 8½ in. furnishes an interesting story.

At that time the 4 ft. 8½ inch gage had been adopted by the New England lines (except some in Maine), the "Vanderbilt" lines (New York Central), Baltimore & Ohio, the Iowa railroads and others in the east and central territory; in the South and in California 5 ft. was used; the Erie and the Ohio & Mississippi Railroads had been built with a 6 ft. gage; a 4 ft. 10 inch gage was in use on a number of the railroads in Ohio and Indiana; and some of the Canadian railroads had a gage of 5 ft. 6 in. The major issue was the choice between the 4 ft. 8½ in. gage of the Union Pacific's connections on the East and the 5 ft. gage of the California railroads with which the Central Pacific would connect.

President Lincoln doubtless was perplexed as to the relative merits of these two gages. During the fall of 1862 many letters were addressed to the Department of the Interior giving the views of the writers as to the gage which should be adopted for the Pacific railroad. In January, 1863, the President received a committee from California, the members of which of course urged him to establish the gage as 5 ft. The matter was discussed at a Cabinet meeting held on January 20. On the following day the President issued an executive order which provided that the gage should be 5 ft.

At once the advocates of the narrower gage became active and within a few weeks a bill was presented in the Senate for the establishment of the gage as 4 ft. 8½ in. Although opposed by the California members and a few others, the bill was passed in the Senate by a vote of 26 to 9, and soon after was passed by the House of Representatives. This bill, one of the shortest on record, read as follows: "An Act to Establish the Gage of the Pacific Railroad and its Branches. Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That the gage of the Pacific Railroad and its branches throughout their whole extent, from the Pacific Coast to the Missouri River, shall be, and hereby is, established at 4 ft. 8½ in." President Lincoln signed the bill on March 3, 1863. Thus he "approved" the gage as "established" by Congress despite its reversal of his previous executive order. No doubt this action establishing the gage of the first railroad to link the east and the west was a significant step toward the standardization of the gages of the railroads of the United States and Canada which took place in the next few years.

A curious story, which must be largely imaginative, was presented by a newspaper correspondent, Walter B. Stevens, in his "Reporter's Lincoln." In this account it was stated that during this controversy of the gages, the two branches of Congress could not agree—one favoring 4 ft. 10 in. and the other 4 ft. 7 in. According to that author, the President solved the problem by the simple expedient of splitting the difference. Fortunately for the accuracy of railroad history this "yarn" has never received much publicity—perhaps it should not be mentioned now—lest someone read only the last part of this letter.

J. B. BABCOCK
Professor of Railway Engineering, Massachusetts Institute of Technology.

What Is Proper Basis For Charging Depreciation?

WASHINGTON, D. C.

To THE EDITOR:

I have read with much interest the article on depreciation by G. B. McMillen, appearing in the February 5, 1944 issue of the *Railway Age*. I am in complete agreement with Mr. McMillen in his concern for accurate methods of depreciation calculation, because depreciation does make a vital difference in operating results, particularly in these days of high taxation, as Mr. McMillen so carefully and clearly points out.

However, it appears to me that Mr. McMillen is not quite correct in his substitution of "weighted average rate" for "weighted average lives" in the computation of composite depreciation rates for a group of properties. The problem that is posed by Mr. McMillen's article is how to arrive at a rate of depreciation that will apply to two (or more) properties of unequal service life in such a way that the property of shorter life can be retired (depreciation reserve equal to book value) on schedule, leaving the undepreciated value of the property of longer life such that it can be depreciated for the rest of its life at its own individual rate. This seems to be the substance of the reference on page 321 to the correct average as the "mean which must be used whenever it is necessary that (as in cost proration) the sum of the parts must equal the whole."

The writer has no brief for the "weighted service lives" method. But this method is not invariably wrong. It represents the case in which the cost of the properties has a + 1 correlation with the service lives of the units. Consider the following example adapted from that used by Mr. McMillen in his article:

1 unit—life 10 years—cost \$1,000—rate .10	
1 unit—life 50 years—cost \$5,000—rate .02	
60	.12
Average life—30 years—Average rate—.06	
Rate based on average life .0333	

The first unit here must be depreciated \$100 each year. The second unit must be depreciated \$100 each year. The total depreciation charge will be \$200 related to the depreciation base of \$6,000.

$$\frac{\$200}{\$6,000} = .0333 \text{ as the composite rate.}$$

In ten years this rate of depreciation will produce a reserve of \$2,000, \$1,000 for each unit. The first unit will be completely written off, and the undepreciated value of the second unit will be \$4,000. In 40 more years at a rate of .02, this remainder will be written off. Thus the average service life method (coincidentally, in this particular case) appears to meet the test suggested by Mr. McMillen. A .06 rate in this case would be just as wrong as a .0333 rate in the following case.

Consider another example:

1 unit—life 10 years—cost \$1,000—rate .10	
1 unit—life 50 years—cost \$1,000—rate .02	
60	.12
Average life 30	Average rate .06

The first unit must be depreciated \$100 each year. The second unit must be depreciated \$20 each year. The total annual charge for depreciation will be \$120.

$$\frac{\$120}{\$2,000} = .06 \text{ as the composite rate.}$$

In ten years the depreciation reserve will amount to \$1,200 or \$1,000 for the first unit and \$200 for the second unit. The undepreciated value of this unit will be \$800, which will be completely charged off in 40 years at a rate of .02. Thus, in this case, (again coincidentally) the average rate method produces results consistent with the test suggested. This, note, is the case in which book values are equal (homogeneity of a sort).

These two rates are by no means the only ones that might apply. Each different set of *cost prices* produces a different composite rate. This fact suggests the source of Mr. McMillen's error.

Actually, neither of the methods he discusses are weighted averages at all. Both are simple averages, one of service lives, the other of depreciation rates. The correct method, however, must be a weighted one. And the only practical "weight" is the cost of the properties (units) to be included in the group. The writer suggests the following method of arriving at a composite depreciation rate:

Unit	Book value	Annual charge
1	
2	
3	
4	
Total (A)		Total (B)

Composite rate = B + A. This may be called the *weighted annual charge method*.

Frankly, the writer was under the impression that this was the way group rates were computed in practice. If Mr. McMillen is correct, the writer is certainly wrong on that point. But it does seem quite apparent that Mr. McMillen has not improved upon a bad technique in his article.

HOWARD R. SMITH

OBSERVATIONS BY LORD MACAULAY

The perfect lawgiver is a just temper between the mere man of theory, who can see nothing but general principles, and the mere man of business, who can see nothing but particular expenses.

A people which takes no pride in the noble achievements of remote ancestors will never achieve anything worthy to be remembered by remote descendants.

I.C.C. Memorial on Eastman

The I. C. C.'s resolution on the death of Joseph B. Eastman, in its final form for the Commission's archives, dated March 15, reads as follows:

"With profound sorrow we record the death of our beloved and respected colleague and brother, the Honorable Joseph Bartlett Eastman, which occurred in the city of Washington about 6 o'clock on the morning of March 15, 1944.

"Commissioner Eastman became a member of the Commission on February 17, 1919, and served under successive reappointments until his death, a period of 25 years and 28 days. On March 8, 1920, he was unanimously elected Chairman of the Commission, but declined the office. He served as Chairman during the calendar year 1926, and from July 1, 1939, to June 30, 1942. During this long period of service as Commissioner, by designation of the President he simultaneously performed the duties of the Office of Federal Coordinator of Transportation from June 16, 1933, until June 16, 1936, and of Director of the Office of Defense Transportation established by executive order December 18, 1941, until his death.

"The genial and helpful personality of our departed brother, his untiring industry and ceaseless diligence, his great intellectual capacity and breadth of learning, sterling integrity and selflessness, broadmindedness and passion for justice, sound and ripened judgment, and his devotion to the public interest, won the warm affection and abiding regard of all who came into association with him, whether members of the Commission and of its staff or persons having business or official relations with him. As public servants we have been inspired by his example of high ideals and splendid achievement, and intimate daily contacts with him have made our lives better. The sudden ending of his career of signal usefulness in fields of great difficulty and responsibility is a tremendous loss to the country which he was serving so well."

Railroads-in-War News

Now Report 105,901

Women on Railroads

Increase over mid-January last year exceeds 60 per cent, I.C.C. data show

During the three-month period from mid-October, 1943, to mid-January, 1944, the number of women employees of Class I roads showed a further increase from 103,209 to 105,901, according to the most recent figures of the Bureau of Transport Economics and Statistics of the Interstate Commerce Commission, released March 28, but the rate of increase was not so large as in the preceding quarterly periods, the details of which were noted in *Railway Age* of January 8, page 162, and earlier issues there indicated.

The compilation of these data was first made public by the bureau with the mid-month statement for January, 1943, so the current figures afford the first opportunity for a comparison with the same date in the previous year. In January, 1943, a total of 63,187 women were employed on Class I roads, or 4.79 per cent of the 1,319,480 employees at that time. In January of this year the total of 105,901 female employees constituted 7.80 per cent of the 1,357,252 employees reported.

250 Feminine Trainmen—As compared to mid-January last year, increases were shown in the number of women employed in every general category of employment in which any at all were engaged, with the single exception of the executives' and staff assistants' division, in which there was no change. In train and engine service the number of women employees reported was 250, as compared to 4 last year. In the division including yardmasters, switchtenders and hostlers, in which no women were reported in 1943, the mid-January figure this year was 34. In transportation service other than train, engine and yard, the increase over last year's report was from 4,843 to 11,273.

In the maintenance of equipment and stores division this January's total was 21,545, as compared to 9,439 at the same time last year. In maintenance of way and structures the increase in the comparable period was from 745 to 2,402. The largest number of women in railroad employ continues to be in the professional, clerical and general division, where the increase from mid-January, 1943, to the same time this year was from 48,138 to 70,379.

More Conductorettes—Detailed figures of employment of women in various categories of work included in the reporting divisions indicate that the number of assistant road passenger conductors and ticket

collectors increased from 91 to 140 during the quarter ending in mid-January. On the other hand, the number listed as road passenger brakemen and flagmen decreased, as it did in the preceding quarter, dropping during the quarter from 111 to 90. The number of women yard brakemen and yard helpers, which was 25 in mid-October, dropped during the quarter to 16. The number of yard firemen and helpers remained unchanged at 4.

A further increase was shown during the quarter ending in mid-January in the number of women employed as clerk-telegraphers and clerk-telephoners, the figures being 1,321 as against 1,204 in mid-October. Telegraphers, telephoners and towermen likewise increased in the same interval from 1,458 to 1,639. Baggage, parcel room, and station attendants showed an increase from 1,384 to 1,574, but truckers (station, warehouses, and platforms) numbered fewer women than in mid-October, the respective figures being 1,743 and 1,860.

O. D. T. Appointment

Otto W. Bender, commercial agent in the New York office of the Chicago & North Western, has been appointed transportation officer, tank car section, of the Office of Defense Transportation's division of petroleum and other liquid transport.

W. P. B. Adds Advice in Perfect Shipping Campaign

Making its participation in the promotion of "Perfect Shipping Month" effective, the War Production Board has issued a statement recommending to shippers and receivers of freight various measures by which they can contribute to the success of the campaign and to the reduction of loss and damage to railroad freight.

Pointing out that inexperienced help, container shortages and inadequate supervision on the part of shippers all contribute to loss and damage under current conditions, the W. P. B. emphasized the importance of corrective action to overcome these influences. In 1942, as compared to 1940, the statement added, loss and damage to all railroad freight increased more than 34 per cent, while loss and damage to l.c.l. freight increased 94 per cent.

In addition to admonitions with respect to the proper use and marking of containers, prompt and adequate cleaning of cars, elimination of frills, and active supervision of packing and loading operations, the W. P. B. suggested also the importance of routing freight by scheduled merchandise cars to benefit by the minimum number of transfers and the desirability of obtaining special Office of Defense Transportation permits, where conditions are appropriate, so through movement of l.c.l. shipments of the proper tonnage without transfer can be secured.

Must File Quarterly Lumber Applications

All major consumers required to act before April 25 in new W.P.B. rule

All major consumers of lumber must file applications giving their requirements for the second and third quarters of 1944 on or before April 25, the War Production Board announced recently. Unless these applications are filed, no lumber may be received from any source, irrespective of preference ratings or authorizations under other W. P. B. orders, regulations, or certificates. Except for the required filing of applications, lumber for the second quarter of 1944 will continue to be controlled and distributed under existing orders. This is the first step in a comprehensive program to establish control over all consumption of lumber.

The applications will give W. P. B. accurate information on lumber demand for specific uses on a quarterly basis. Existing orders have to some extent prevented the use of lumber for relatively non-essential purposes, but they do not cover all species nor production in small mills. These orders have not kept consumption from greatly exceeding available supplies. One of the chief difficulties has been lack of information on over-all demand. The applications now required from all major consumers will enable W. P. B. to control the consumption of all lumber, instead of only certain species, in relation to available supply on the basis of the relative essentiality of the purposes for which it is to be used.

Order L-335, issued March 22, affects consumers of lumber who used more than 50,000 f. b. m. during the final quarter of 1943 or expect to use more than this amount during either the second or third quarter of 1944, for all purposes except those specifically exempted.

Exceptions—Lumber of any species, size or grade is covered by the order, with the following exceptions: (1) dogwood, rattan and aircraft grades of sitka spruce; (2) shingles, lath and slabs; (3) edging, trim and off-fall less than three inches wide or less than four feet long (unless produced to evade the order); (4) hardwood flooring; (5) box shook, last blocks, millwork and similar items made from lumber but not classified as lumber in the trade.

Lumber required for the following purposes need not be reported in applications: (1) projects for which producers have been assigned serial numbers under Order P-56 (mines and smelters); (2) lumber directly needed in the discovery, development or depletion of a petroleum pool as authorized by

the Petroleum Administration Order 11; (3) for resale by a sawmill or distributor; (4) for use outside of the 48 states and the District of Columbia; and (5) for construction jobs specifically authorized by W. P. B. or other federal agency when the authorization makes it unnecessary to get W. P. B. permission for construction. An example of this exemption is lumber required for a job authorized under L-41.

Applications must be filed by all consumers covered by the order on or before April 25, on W. P. B. Form-3640. The form calls for data on products manufactured or processed, requirements, and anticipated use. The order states that it will be amended before the end of the second quarter, 1944, to establish new procedures under which delivery of lumber will be authorized. This authorization will be made on the basis of the over-all requirements pattern presented by the applications.

Complaints of Diner Meals Served to Troops

Representative Langer, Republican of North Dakota, inserted into the March 22 issue of the Congressional Record a letter which an Army private had written him to complain about dining-car meals served to the troops on government dollar-per-meal orders. The letter was written by Private Clinton R. Davies, a former resident of Grand Forks, N. D.

Private Davies conceded that \$1 "is not an exorbitant price for a meal on a railroad diner," but he detailed a menu in an undertaking to support his charge that the railroads were offering enlisted men meals which enable the carriers to make out of the dollar a "tremendous graft." He understands officers have a choice of food, but enlisted men "are herded in and fed what the diner offers." He was not talking about meals on troop trains, he said, but service on regular trains on which groups of soldiers are traveling under transfer orders.

O. P. A. Modifies Regulations on Rate-Change Notices

Changes in the provisions governing the exemption of common carriers and other public utilities from the Emergency Price Control Act and in the notice requirements for proposed rate increases to be given by such companies were announced by the Office of Price Administration last week. The revised exemption provisions are contained in Amendment No. 45 to Revised Supplementary Regulation No. 11 to the General Maximum Price Regulation, while the new notice requirements are contained in Amendment No. 2 to Procedural Regulation No. 11, both effective March 24.

The changes, the O. P. A. announcement explained, have been made to conform to a recent Supreme Court decision as to which common carriers and other public utilities fall under the provisions of the price control act. Storage, warehousing and other services previously under the General Maximum Price Regulation are now exempt when furnished by companies "appropriately classified as public utilities and regulated as such if their maximum rates are established or otherwise regulated by federal, state, or municipal authority."

The services thus exempted are made subject to Procedural Regulation No. 11, which provides for 30-days notice of all general rate increases to be given by common carriers and other public utilities as required by the Stabilization Act of October 2, 1942. Meanwhile, common carriers of passengers are among those exempted from Procedural Regulation No. 11 "when the furnishing of such service is not subject to maximum rate regulation."

O. D. T. Authorizes Co-ordinated Rock Island Operations

The Office of Defense Transportation has issued Special Order O. D. T. MF-1 authorizing the substitution of certain motor carrier service for l.c.l. rail service in the transportation of intrastate freight between the Minneapolis-St. Paul area and the Iowa state line. The co-ordinated service is expected to save 208 freight car days a month and result in fuller truck loadings.

The order which is effective April 3, applies to the Rock Island Motor Transit Company and (its parent railroad) the Chicago, Rock Island & Pacific. The substitution of motor carrier service for rail service will not result in an increase in rubber-borne mileage, the O. D. T. said, since Transit is not permitted to increase the mileage or number of trucks to handle the diverted freight.

Lakes, About to Open, Expect Record Traffic

Lake carriers, scheduled this year to carry "the largest tonnage in their history," are expected by the Office of Defense Transportation to get an earlier-than-usual start with the shipping season opening between the first and tenth of April.

The O. D. T. announcement of March 24 said that the United States Coast Guard has assigned a cutter to begin ice-breaking activities in the Straits of Mackinac; while the absence of prolonged periods of low temperatures during the winter has left ice conditions on the lakes "better than average." The announcement went on to point out how the lake fleet has been augmented by the addition of 25 new vessels, including 16 ore carriers, built by the Maritime Commission. It added, however, that this increased capacity "may be offset in some measure by a growing shortage of manpower."

Canada's Railways at War

A recent poll of public opinion in Canada regarding railway ownership and control showed 38 per cent of those interviewed as favoring continuation of the present system of government and private ownership; 35 per cent favored complete government ownership; 16 per cent were for complete private ownership; and 11 per cent had no opinion. These figures were given by A. A. Gardiner, assistant general passenger agent of the Canadian National, in an address on March 24 to the Railroad Enthusiasts, meeting in New York. Mr. Gardiner went on to say that he did not believe that Canadians would be as friendly to government ownership of railways as they appear to be, except for the fact that the government-owned railway is managed and operated exactly as it would be under private ownership.

The speaker's subject was the Canadian railways—especially the C. N. R.—and he reviewed the salient figures of operating performance—the job to be done and the success with which it is being done—which is a story paralleling that which is characteristic of most other railway systems on the North American continent.

He explained how the C. N. R. happened to be government-owned—the result, not of deliberate policy, but of the bankruptcy of predecessor private companies. He said that, in the period between the two great wars, "there were those in Canada who went up and down the country lamenting that Canada had too much railway." However, as it has turned out, "the reduction of our railway by a mile of track, or by a single unit of power or equipment, would definitely reduce our power to carry on our part of the conflict."

The Canadian railways, he reported, citing figures, are being operated with efficiency which compares well with that of the United States lines. In addition, they are doing considerable manufacture of munitions.

Betterton Becomes Director of W. P. B. Equipment Division

G. M. Betterton, general purchasing agent of the Southern Pacific with headquarters at San Francisco, Calif., has succeeded Albert C. Mann, vice-president of the Illinois Central, as director of the War Production Board's Transportation Equipment Division. His appointment became effective April 1 when Mr. Mann returned to the I. C.

Mr. Mann had been director since last December when he succeeded Lynne L. White, who returned to his position as chief operating officer of the Chicago & North Western after having served three months as successor to Andrew Stevenson.

Says Entire Alaska Railroad Will Remain in Service

Continued operation of the entire length of the Alaska Railroad, at least until such time as a "good system of roads" can be built to connect the Kenai peninsula of Alaska with Anchorage, is the "settled policy" of the Department of the Interior, Secretary of the Interior Ickes announced March 28.

It was explained that numerous inquiries had reached the department as to the future of segments of the railroad, particularly in view of the military development of the port of Whittier, which has had the effect of diverting traffic from Seward. The post-war possibilities of the newly developed port, which is 62 miles from Anchorage by a branch of the railroad, have contributed to the concern expressed over the future of the southern portion of the original line, terminating at Seward, which is 114 miles from Anchorage.

The city of Seward, Mr. Ickes pointed out, is the natural outlet for the Kenai peninsula, which includes a substantial amount of land which is more favorable to agricultural development than most parts of Alaska. The department considers the extension of existing highways to link this district with Seward to be "one of the most desirable post-war projects" in the territory, it was explained.

At present, the railroad is the only connection between Seward and the peninsula territory on the one hand and between that area and Anchorage and the interior of Alaska on the other. Mr. Ickes expressed the view that the railroad was built to serve all central Alaska, and that it would be a step backward to sever rail connections between the Kenai peninsula and the interior. He went on to say that in the long run either the rail line would have to justify itself on a revenue basis or Congress would have to make up possible deficits, but as the situation now stands it is the department's policy and wish to keep "every mile" of the Alaska Railroad in service.

Radio Programs to Feature Transportation Corps

Railroad operations and various other phases of the work of the Army Transportation Corps will be featured on three national radio programs during the current month.

On April 2, from 5:00 to 5:45 p.m. (E.W.T.), over the Columbia network, the Family Hour will devote part of its time to the work of the Transportation Corps' port battalions.

Over the same network, The Vox Pop program will be broadcast from Camp Claiborne, La., the training base for the Military Railway Service, on April 3, from 8:00 to 8:30 p.m. (E.W.T.).

On April 18, from 10:00 to 10:30 p.m. (E.W.T.), over N. B. C., the Bob Hope program will also highlight the work of the Transportation Corps.

Trucks Release More Tank Cars

As a result of temporary War Production Board priority during February for the delivery of tank truck tractors for over-the-road movement of petroleum and its products, the availability of these vehicles has been considerably improved, the Office of Defense Transportation has disclosed. The effect of the additional tractor units has shown up, it is reported, in speedier and more satisfactory distribution of gasoline to Army Air Force installations, in elimination of tank car permits for short haul rail movement of petroleum products in the southeastern states, except Florida, and also in a sharp curtailment of the number of tank cars involved in hauls from the Chicago refinery area to nearby points.

During February 512 such tank truck tractor applications were placed ahead of all other civilian trucks under the W. P. B. priority set-up, according to the O. D. T., whose administrators of tank truck operations were reported to be very well satisfied with the results of the expedient.

O. D. T. Represented on W. M. C.'s Deferment Committee

The Office of Defense Transportation is among the government agencies represented on a new committee which Paul V. McNutt, chairman of the War Manpower Commission, has set up to put into operation a program for handling the occupational deferment from the draft of men between the ages of 22 and 25 years, inclusive. Meanwhile the national headquarters of the Selective Service System has likewise included O. D. T. among the agencies au-

thorized to designate representatives in each state to endorse special requests of employers for deferment of key registrants under the age of 26 engaged in war activities other than agriculture.

Members of the new W. M. C. committee were expected to supply this week estimates of the number of individuals for whom deferment should be requested in their particular activities, the requests to be by types of individuals and later for specific plants. Starting March 30, the committee was scheduled to meet daily until its program had been organized and the quotas fixed.

Stop-Gap Procedure — The Selective Service System's plan whereby the authorized agencies may endorse requests for deferments "is intended to provide an interim procedure . . . until such time as permanent procedures are established for the filing of requests, and lists are compiled of specific war activities and establishments in which registrants under 26 may be deferred." The endorsed requests are to be made to state directors of the Selective Service System, but it is emphasized that such recommendations are not binding upon state directors.

Discussing the manpower problem before a House military affairs subcommittee on draft deferments this week, Mr. McNutt said that "our most critical manpower shortages today are largely outside of the munitions industries." He added: "They are found in such supporting activities as railroads, lumber, coal, and cotton textiles. Although these industries are somewhat removed from direct munitions production and from contract procurement, they must have the closest attention in the manpower program . . . The situation on the railroads is illustrated by the fact that 85,000 men are listed on replacement schedules for induction by July 1."

Embargoes Back-Hauls of Grain in Transit

Upon recommendation of the joint grain and grain products transportation conservation committee of the Office of Defense Transportation and the Interstate Commerce Commission, and for the purpose of reducing "unnecessary haulage of cars and consequent delay of equipment due to back-hauls and out-of-line hauls," the commission has issued its Service Order No. 189, effective May 1, establishing an embargo of specified back-haul movements of grain and related products in connection with tariff transit arrangements.

The order is made effective on carload shipments of grain, grain products, grain by-products, soybeans, feed, seeds, or related commodities until further order of the commission, but not for a longer period than six months beyond the end of the war. It applies to shipments in the named categories on hand at transit points on May 1, to those arriving at the transit points after that date, and to carloads shipped from the point of origin on and after that date.

The appendix accompanying the order enumerates various tariff items classified as 24 distinct embargoes of out-of-line or back-hauls, involving numerous named transit points in Ohio, Illinois, Tennessee, Missouri, Kansas, Oklahoma, Texas, Nebraska, South Dakota, and Iowa, and ap-

plying to specified movements on the following roads: Baltimore & Ohio; Chesapeake & Ohio; New York, Chicago & St. Louis; Wabash; Pennsylvania; Atchison, Topeka & Santa Fe; Chicago & North Western; Chicago, Burlington & Quincy; Chicago, Milwaukee, St. Paul & Pacific; Chicago, Rock Island & Pacific; Illinois Central; Illinois Terminal; Kansas City Southern; International-Great Northern; Missouri-Kansas-Texas; Missouri Pacific; New York Central; St. Louis-San Francisco; Union Pacific; and Southern.

Service Order No. 188, applying demurrage regulations to intra-terminal movements of loaded refrigerator cars on the State Belt Railroad of California, has been modified by Amendment No. 1, the effect of which is to make the demurrage provisions applicable to cars considered to be "constructively placed" for unloading at the expiration of 48 hrs. after the cars are released for movement by the shipper, even though such cars "for any reason" are held by the carrier short of the place of delivery. The amendment was effective March 28.

All Special Florida Service Now Discontinued

The Office of Defense Transportation this week declined to approve the operation, beyond March 31, of a daily special northbound train out of Florida.

"The travel emergency in Florida has passed," the announcement said, "at least to the extent that it does not justify the extension of the special service authorized during March. This is particularly so in light of heavy freight traffic and shortage of freight power and personnel on many of the lines involved."

On March 1 the Florida East Coast-Atlantic Coast Line and the Seaboard Air Line were each authorized to run one extra day-coach train daily for northbound service only. The Seaboard discontinued its special service two weeks ago for insufficient patronage.

Meanwhile the demand for Pullman services and for deluxe coach reservations out of Florida remains as heavy as ever, the O. D. T. said.

The F. E. C.-A. C. L. special has carried an average of 430 passengers daily since the service was inaugurated March 1.

Sees 1.6 Per Cent Loadings Rise in Northwest

Carloading in Oregon, Washington and Idaho will increase 1.6 per cent, or to 287,891 carloads, in the second quarter of 1944, as compared with the same period in 1943, according to commodity committee forecasts made at the annual meeting of the Pacific Northwest Advisory Board at Portland, Ore., on March 24. Carloadings of gravel, rock and sand are expected to drop 4,140 cars because of the termination of federal projects but this decrease will be more than offset by lumber and logs, which will require 5,453 more cars than in the second quarter of 1943.

Officers elected for the ensuing year are: President, H. E. Smith, Western zone traffic manager of the Weyerhaeuser Sales Company, Tacoma, Wash.; vice-president, H. E. Kerry, general traffic manager of Rayonier, Inc., Seattle; executive secretary,

F. P. Borden, traffic manager of the Douglas Fir Plywood Association, Tacoma; chairman of the executive committee, Gordon Tongue, secretary-treasurer of the

Portland Cement Company, Seattle; and secretary, F. T. Westmeyer, district manager of the Car Service division of the Association of American Railroads, Seattle.

Materials and Prices

The following is a digest of orders and notices that have been issued by the War Production Board and the Office of Price Administration since March 20, and which are of interest to railroads:

Aluminum—Supplementary Order M-1-i has been amended to allow additional uses of aluminum for automotive trucks and trailers, commercial communication equipment, fire-fighting equipment, protective signal and alarm equipment, industrial fans and blowers, industrial machines, industrial safety equipment, industrial spray guns and grease guns, engineering instruments, safety control and heating control instruments, internal combustion engines, jigs and fixtures for industrial production and industrial type lighting equipment.

Malleable Iron Castings—Inventories of malleable iron castings have been limited to a 45-day supply by the issuance of Malleable Iron Castings Order M-21-i which prohibits the acceptance of delivery of such castings by any person, if such delivery increases the purchaser's stock to more than a 45-day supply. Delivery by a supplier is prohibited when to his knowledge such delivery would increase the recipient's stock beyond the 45-day supply. In cases of undue hardship, appeals may be filed.

PR-1 Amended—Basic rules governing the use of preference ratings have been revised by the Amendment of PR-1 on March 18, to bring them up to date and make certain operating changes. In the future, all defense orders will be rated at least AA-5. However, any outstanding ratings that were assigned prior to March 18, and are lower than AA-5 may continue to be used. Defense orders are defined in PR-1 as purchase orders calling for delivery to or for the account of the Army, Navy, Maritime Commission and other Government agencies concerned with the war effort or Lend-Lease orders. Formerly, all defense orders that were not specifically assigned a higher rating were rated A-10.

Any person who receives a rated order and is unable to fill it on the required delivery date must notify his customer of the earliest date on which he will be able to fill the order. In such cases, the person who received the order has the choice of two actions: (1) to reject the order and notify his customer when he would have been able to make delivery, or (2) to accept the order for the earliest delivery date he expects to be able to meet and notify his customer of such date. This customer notification provision has been inherent in WPB policy for some time, but it has never been spelled out in PR-1.

Rated orders may be rejected if the person placing such orders is unwilling to meet established prices and terms of sale of the person with whom he has placed the order. The amendment provides that suppliers must quote established terms and prices upon request of persons who want to place rated orders with them, unless such quotations would involve detailed engineering or accounting work. In such cases, the supplier may quote his best estimate without such work and point out that it is not binding. However, a supplier need not quote to a person with a rating, if he would not be required to accept such a person's rated purchase order and knows that he would not accept it if it were served on him.

In addition, a person may reject a rated order that is served on him for an intermediate product (a product that he purchases or makes for his own use only), provided he has not filled any orders for such material or product within the past two years. However, if he has accepted such an order within the previous two-year period, he must accept rated orders placed with him for such product unless they would interfere with equal or higher rated orders already on hand, either for the intermediate product or for his finished product.

Specific rules are spelled out for the treatment of orders placed with preference rating originally assigned on a certificate that has been cancelled. In such cases, the person whose rating authority has been cancelled must either (1) cancel all orders placed with the rating or (2) inform his suppliers that orders so placed are

no longer to be treated as rated orders. A supplier who receives such a notification must immediately withdraw all extensions of that rating that he may have made on his own purchase orders.

Provisions have been amended to indicate that purchase orders may require delivery within a 31-day period as well as specify a specific delivery date or dates. In addition, the amendment provides that in four instances orders need bear no specific delivery dates if it is understood that they require delivery as soon as possible or customary. These four cases are: (1) orders for maintenance, repair or operating supplies that are properly identified, (2) orders placed with or by distributors or jobbers, (3) small orders (involving not more than \$100), and (4) emergency orders, which are rated AAA.

The amendment further provides that if a person accepts a rated order and later finds that he will be unable to make delivery within 15 days of the required delivery date, he must notify his customer accordingly and of the approximate date he will be able to make delivery.

Relative to disposition of idle and excess equipment or material by a person who does not regularly sell it, the amended regulation provides that a holder of such material may use it for his own purposes if he is able to fulfill the conditions applying to purchases at special sales under the provisions of PR-13. Such materials, however, may be used only for purposes that are permitted under existing WPB "L" and "M" orders.

Southern Pine and Hardwoods—Tighter control over Southern yellow pine and hardwoods was established through issuance of amended versions of orders M-361 (Southern yellow pine) and M-364 (specified kinds of hardwoods) effective March 27. Delivery restrictions now apply to all sawmills producing over 5,000 f. b. m. per day (formerly 10,000 f. b. m.) of any kind of lumber. Hardwood species controlled by M-364 as amended are: oak, ash, hickory, pecan, birch (except white birch produced in New England) hard maple, rock elm, and beech.

Formerly exempt, concentration yards which now process, by drying, 25 per cent or more of the lumber they receive are now included in the coverage of the orders. Retail sales by sawmills in areas not served by retail yards (formerly permitted without restriction), may now make retail sales only after they have obtained WPB authorization.

Changes made in the orders now place under control an estimated 75 per cent of total production of Southern yellow pine as compared with 50 per cent formerly controlled, and an estimated 70 per cent of production of the restricted hardwoods instead of 50 per cent formerly affected.

Western Lumber—Order L-290 has been amended to clarify the restrictions on Western lumber. Provisions have been restated to make them consistent with companion orders M-361 and M-364, covering Southern yellow pine and eight kinds of hardwood.

Lumber restricted by L-290 includes Ponderosa pine, sugar pine, Idaho white pine, larchpole pine, white fir (except that processed west of the crest of the Cascade mountain range in Oregon and Washington) Western white spruce and Engelmann spruce, produced in Washington, Oregon, California, Idaho, Montana, Wyoming, Nevada, Utah, Colorado, Arizona, New Mexico, or South Dakota.

Prices

Bituminous Coal—Revised ceiling prices, effective March 27, have been announced for producers of bituminous coal in Indiana who ship their coal by railroad. For the state as a whole, (Producing District No. 11), the changes—both decreases and increases—average an increase of less than three cents a ton.

The new schedule, comprises only eight price groups with standard service charges for washing, etc., compared with 34 groups previously.

Temporary adjustments in prices granted in November 1943, to hand-loading mines in In-

diana will be void after May 31, where such temporary increases exceed the new schedule prices, OPA said.

Bituminous Coal—Amendment 93 to MPR-120 (Bituminous Coal Delivered from Mine or Preparation Plant) effective March 24, provides a revised schedule of ceiling prices for bituminous coal shipped by rail in the largest producing district in the country known as Bituminous Coal Producing District No. 8, which includes portions of West Virginia, Virginia, Kentucky, Tennessee and North Carolina.

The varied changes—both increases and decreases—made in the extensive list of dollar-and-cent ceilings for this district's mines average a total increase of less than three cents per ton. The district-wide changes are mainly in the form of equalizing ceilings for railroad locomotive fuel with the ceilings for commercial and industrial shipments and increasing ceilings for small egg and double screened sizes.

At the same time, a special increase of 15 cents a ton is provided for the southern Appalachian area of the district, known as Sub-District 6. Numerous petitions from producers in this area had been filed with OPA asking for increases in ceilings. The increase was decided upon following a study which indicated that a substantial part of the area was operating at a loss and some adjustment was necessary. This sub-district accounts for substantially less than 10 per cent of the tonnage produced in the whole district.

Gypsum Board—Amendment No. 31 to Order A-1 under Section 1499.159b of MPR-188 (Manufacturers' Maximum Prices for Specified Building Materials and Consumers' Goods Other Than Apparel) effective March 24, permits producers of laminated gypsum board located in Indiana, Iowa, Michigan, Oklahoma, Texas, and Ohio, who usually sell on a freight-equalized basis in their own area, to ship f. o. b. plant to qualified buyers in California, Arizona, Oregon, and Washington.

Protests Against Maximum Prices—Amendment No. 6 to RPR-1 (Procedure for the Issuance, Adjustment, Amendment, Protest and Interpretation of Maximum Price Regulations), effective March 20, provides that a protest against a maximum price regulation, based on grounds which arise after the regulation is issued, may be filed at any time after such new grounds arise. Since November 1942, OPA's RPR-1 has required that such a protest must be filed within 60 days after new grounds for the protest occur.

This change follows a decision rendered Friday (March 17) by the United States Emergency Court of Appeals in Washington, D. C., which held that this requirement was based upon an erroneous construction of the Emergency Price Control Act. The new action does not change the requirement that a protest against a price regulation which is not based on grounds arising after its issuance must be filed within 60 days after the date of issuance of the regulation.

Second-Hand Machinery—A change in the provision of the regulation governing maximum prices for sales by the War and Navy Departments and the Defense Plant Corporation of second-hand machines or parts acquired for the purpose of rental has been provided by Amendment No. 111 to MPR-136 (Machines and Parts and Machinery Services) and Amendment 3 to MPR-1 (Second-Hand Machine Tools) both effective March 27.

The price now can be determined under the special pricing provision formerly governing such sales, or by the method provided in the general pricing provision for second-hand machines and parts—whichever is the higher.

When the special pricing provision for such sales was made effective, it was assumed that the machines and parts would be sold not more than a few years after they were acquired new by the agencies mentioned. It was a requirement of this provision that the machine or part be depreciated at a rate of 8 per cent a year of its original cost.

Experience has shown that in some cases machines and parts to be sold have been acquired as long as 17 years before the date of the proposed sale. As a result, the 8 per cent a year depreciation makes the maximum price equal zero, or only a nominal sum. Pricing the articles under the general provision of the second-hand machinery regulation will insure a fair and equitable price, in line with prices of similar machines and parts.

GENERAL NEWS

Subordinates O. P. A. in Rate Proceedings

Supreme Court rejects claim of
superior authority under
stabilization laws

No basis exists in law for the Office of Price Administration or the Economic Stabilization Director to usurp any of the statutory powers of governmental agencies established for the regulation of utility rates, the Supreme Court of the United States held March 27 in the so-called Washington Gas Light case. Going beyond the specific point of law involved, which had to do with the question whether the Public Utilities Commission of the District of Columbia was required to afford preferential consideration to the O. P. A. upon its intervention in a rate adjustment proceeding, and which the court decided in favor of the commission, the majority opinion, delivered by Justice Roberts, went on to analyze the contention that Congress, in passing stabilization laws, intended to prohibit utility regulatory authorities from permitting any increases in rates which were not shown to be necessary to prevent actual hardship.

Existing Regulators Not Superseded
—“We are asked,” said the court’s majority, “to infer from a general expression of congressional policy the limitation of existing powers conferred by law on regulatory commissions throughout the nation, both state and federal, and the endowment of a different federal agency with new and superior rights and powers. This we are unable to do.”

The case grew out of an order issued in 1942 by the commission, authorizing a slight increase in the rate charged by the gas company, which was based upon an arrangement of long standing under which the rate has been annually adjusted to conform to a set rate of return, subject to certain conditions, and after hearing and argument. The O. P. A. was allowed to intervene under the commission’s rules of procedure, but was not permitted to broaden the proceedings into an entirely new and comprehensive rate investigation, whereupon it claimed it had been denied a full and fair hearing.

Vinson’s Power Not Overriding
—This contention of the O. P. A.—in which it spoke also for the stabilization director—was based upon the October 2, 1942, amendments to the price control act, which, it asserted, entitled it to demand that the commission enlarge the scope of the hearing and convert the inquiry into one whether an increase in rates was necessary to the

Favors I.C.C. Over C.A.B. as Air Regulator

A resolution, favoring the I. C. C. over the Civil Aeronautics Board as the regulating body for commercial interstate aviation, was adopted on March 16, by the executive, legislative and co-operation committees of the National Association of Railroad and Utilities Commissioners. The resolution reads as follows:

Resolved, That a committee be appointed for the purpose of considering with the General Solicitor the matter of aviation legislation, with the view of preparing a bill for introduction in Congress, to place regulation of interstate air transportation under the Interstate Commerce Commission, leaving to state commissions power to regulate intrastate air transportation; and making a report at the next meeting of the Executive Committee.”

company to prevent hardship. The commission insisted, on the other hand, that it was entitled to conduct the proceedings as it had conducted them prior to 1942, and that it discharged its full duty to the O. P. A. (and the stabilization director) when it accorded them a hearing as to the effect of any order with respect to inflation in the war emergency. “Thus it appears,” said Justice Roberts, “that the controversy is essentially one between two governmental agencies as to whether the powers of the one or the other are preponderant in the circumstances.”

In upholding the regulatory commission’s statutory powers, the court’s majority was opposed by Justices Douglas, Black and Murphy, the dissenting view being expressed by the former. The majority finding, said Justice Douglas, goes far toward making ineffective the provision of the stabilization law giving the President’s agent the right to intervene in utility rate proceedings. “It allows the commission so to shape the issues of the rate proceeding as to exclude the data most relevant to a determination of whether any rate increase should be allowed. The power of a commission to shape the issues as it desires and to restrict the Director of Economic Stabilization to those issues is not a power which is apt to be neglected. The director . . . does not need the right to intervene to prove that rate increases are inflationary. That is self-evident. The right to intervene, if it is not a right to introduce relevant data bearing on the true earnings and returns of the utility, is an empty right indeed.”

I. C. C. Spotting Rule Wins Court Approval

Says treatment of competitors
was not question at issue
in the Staley case

The Interstate Commerce Commission’s application of its limitation of free car spotting service by railroads in the so-called Staley case has been unanimously upheld by the Supreme Court of the United States in its decision March 27 in *U. S. vs. Wabash*. The opinion was delivered by Chief Justice Stone.

The case involved the propriety of the commission’s finding that the performance of spotting service in large industrial plants without charge is in violation of section 6(7) of the Interstate Commerce Act, in that it constitutes unlawful preference because it is a departure from filed tariffs, despite the contention that such a finding would result in discrimination contrary to sections 2 and 3(1) of the act. As to this argument, the court pointed out that findings of discrimination or undue preference under sections 2 and 3(1) are for the commission to make, and not the courts.

Where Extra Service Comes In—The litigation grew out of a commission order directing the Wabash, Illinois Central and Illinois Terminal to cancel certain tariff supplements by which they proposed to eliminate charges for spotting cars within the plant of the Staley Manufacturing Co. at Decatur, Ill. The order in turn was a result of events arising from the commission’s Ex Parte 104 proceedings, part II, dealing with carriers’ terminal services, in which, after investigation, the principle was established that a carrier’s transportation service under its line haul rates should terminate at that point where car spotting ceases to reflect the carrier’s operating convenience and begins to be responsive to the convenience of the industry.

Otherwise stated, under the principle thus formulated the spotting service performed as a normal delivery within terminal limits under line haul rates must not exceed the service rendered in a simple siding or team track delivery. Performance by the railroad of any additional service, free, or the payment to the industry of allowances for performance of such service by it, was held to be an unlawful preference in violation of section 6(7) of the act.

I. C. C. Will Establish the Boundary—Since the application of this principle must depend upon the traffic conditions prevailing at individual plants, the commission, as the Chief Justice pointed out, issued no order with the basic report in Ex Parte 104,

(Continued on page 659)

Retirement Plan Still Heading into Deficit

Latest valuation shows tax should be 10.45 per cent to support benefits

Rates under the Carriers Taxing Act would have to be increased from the present 6½ per cent of payroll to 10.45 per cent if they are to maintain a fund adequate to support the benefits set up in the Railroad Retirement Act, according to the second report of the Railroad Retirement Board's actuarial advisory committee. The present 6½ per cent tax, paid half by the employees and half by the carriers, is a graduating levy scheduled to rise to a maximum of 7½ per cent in 1949.

The actuarial report was summarized in the latest issue of the board's "Monthly Review"; it makes its valuation of the retirement system as of December 31, 1941. Such a valuation is required under the Retirement Act at intervals of not more than three years. As noted in the *Railway Age* of September 7, 1940, page 340, the first valuation (as of December 31, 1938) was even less favorable, indicating that the tax should be raised to 11.11 per cent.

Deficit Foreseen in 1955—Since that time, however, the experience with respect to number of retirements and size of payroll has been more favorable, and more adequate data have become available for the making of various estimates involved. Nevertheless, the figures indicate that the retirement fund will run into a deficit about 1955 unless provision is made for higher taxes or further government contributions. The government now pays only the cost of maintaining benefits for prospective annuitants who have entered the armed forces.

This outlook was mentioned briefly by Judge R. V. Fletcher, vice-president of the Association of American Railroads, in a recent statement to a Congressional committee dealing with post-war problems. As noted in the *Railway Age* of February 12, page 358, he called attention to the findings of the actuaries and suggested that pending bill to increase retirement benefits should not be enacted unless provision is also made for additional revenues. Meanwhile, the Railway Labor Executives' Association has announced a program, noted in the issue of March 11, page 518, which includes proposals to make Retirement-Act benefits more liberal.

The summary of the valuation recalls that the previous survey was based on a \$2,000,000,000 annual payroll in perpetuity, whereas the present survey assumed that the payroll would rise to \$3,840,000,000 in 1944 and then level off at \$2,290,000,000 in 1950 and thereafter. It was calculated that the latter would produce "an equivalent constant payroll of \$2,500,000,000 which has been used as a base in determining the percentage of the payroll required to finance the benefit structure."

Liabilities Far Greater Than Assets—The December 31, 1941, value of future benefits (excluding those of new entrants subsequent to that date) is put at \$5,586,000,000. From this was subtracted the \$130,

Passenger Prospects Reviewed by R. B. A.

The Railway Business Association has issued a 72-page pamphlet in which it reviews the characteristics of railroad passenger travel since 1920, and concludes with a forecast that, by 1949, railroad travel volume may exceed 29 billion passenger-miles, or 5 billion more than the civilian part of existing traffic—and some 4 billion passenger-miles in excess of total 1941 traffic.

Authors of the pamphlet are Professor L. C. Sorrell of the University of Chicago and President H. A. Wheeler of the R. B. A.

000,000 reserve in the Railroad Retirement Account, leaving a balance of \$5,456,000,000 as the excess of liabilities over funds on hand. From this point the survey proceeded to its establishment of the level cost, arriving at the payroll tax requirement of 10.45 per cent, which is the level cost as of two years after the valuation date, i.e., as of December 31, 1943.

On the assumption that a new tax schedule might be instituted in 1944, the report suggests two possible alternatives. One would make the tax 9.82 per cent for 1944 and 1945, increasing it to a maximum of 10.82 per cent in 1949. The other would start lower, at 7 per cent, but a maximum of 12.02 per cent would be reached for 1958 and thereafter. The report concedes that a series of favorable developments could conceivably create a situation wherein the level cost might become as low as 8.1 per cent of payroll; but it points out also that certain unfavorable developments might well push it up to 14.5 per cent.

Present Tax "Insufficient"—The assumptions postulated by the level cost calculation which yielded a figure of 10.45 per cent as of December 31, 1943, have been made consistent with actual experience, with no attempt to be overly conservative," the summary says in closing. "Although no precise figures can be set as to the exact costs under the present retirement system, there seems to be no doubt that the present tax rates are insufficient.

"The present prospects seem to indicate, however, that in view of the expanded activity in consequence of the present war, disbursements will run behind taxes for the next three or four years. After the war this relationship between disbursements and taxes should reverse itself. In this case, the account could be called upon to make up the difference and would probably not be completely depleted before 1955, but at that time a sharp increase in the tax rate would be required to meet current disbursements."

Oral Argument May 10-13 on Consolidated Classification

The Interstate Commerce Commission will hear oral argument May 10 to 13 at Washington, D. C., in its No. 28310 investigation of the Consolidated Freight Classification. The examiner's proposed report, recommending a uniform classification for country-wide application, was reviewed in the *Railway Age* of December 11, 1943, page 933.

U. S. Chamber Issues Reports on Transport

Committee's recommendations, approved by board, will go before annual meeting

Three transportation reports and a series of resolutions have been approved by the board of directors of the Chamber of Commerce of the United States for submission to the membership at the thirty-second annual meeting in New York next month. They were put forward by the Chamber's committee on transportation and communication.

The reports deal with highway policies, airport policies, and control of one form of carrier by another. The resolutions, as the announcement put it, "cover other transportation subjects to which the committee has been giving study over the past year, including steps that should be taken to maintain adequate transportation for the duration of the war, and rehabilitation measures that are necessary for the post-war period."

The transportation and communication committee is headed by Powell C. Groner, president of the Kansas City Public Service Company, and its 20 members include George D. Brooke, chairman of the board of the Virginian, Fitzgerald Hall, president of the Nashville, Chattanooga & St. Louis, and L. O. Head, president of the Railway Express Agency.

Would Let RR's Fly—The report on control of one form of carrier by another holds that "opportunity should be made available for the money and experience of every form of transportation to engage in any other form of transportation provided that such money and experience shall not be used to hinder the progress of the new form of transportation." In leading up to that finding the report questions whether the Civil Aeronautics Board's restrictive interpretation of the Civil Aeronautics Act's provisions relating to control of air carriers by other forms of transportation "is in accordance with the public interest and the intent of Congress." Thus it is suggested that the regulatory laws should be "clarified" to establish the equality of opportunity recommended by the committee.

The committee does, however, believe that regulatory bodies should be authorized to impose "territorial restrictions" on operations by one carrier of another form of transportation service—this, to prevent the use of the other form of transportation "to penetrate into territory of other carriers unless the regulatory body finds such extension to be in the public interest." On the other hand it would not, as is now done, interpret the law's phrase "in its operations" as meaning "that an acquired operation must be auxiliary or supplementary to the existing operations of the controlling company." It believes that the phrase should be eliminated or defined to mean "territorial restrictions only."

Freedom of Contract—Finally, the report advocates a more extensive use of contractual arrangements between two or more forms of transportation to secure the "bene-

fits of coordination." It points out that such arrangements have the advantage of being terminable and of avoiding "possible problems of financing or legal obstacles to acquisition or consolidation."

As summarized in a statement by Chairman Groner, the committee's highway report foresees "the need for a comprehensive postwar rehabilitation and development program, and endorses previous Chamber approval of federal aid for highways of general use, with adequate safeguards."

"It holds," he continued, "that highway programs should be based on comprehensive surveys and studies of the economic benefits and relationship to the public budget, and that highway users should contribute to the costs in proportion to benefits, in addition to paying their fair share of the general costs of government."

Federal Aid Roads—"In view of our enormous national war debt our committee believes that to increase the federal share in the highway program in accordance with current proposals would be a dangerous step. The committee therefore recommends that the states continue as at present to provide the right of way and pay half the construction costs of federal aid projects, and that allotments of federal funds among the states should, among other factors, give adequate consideration to traffic needs as determined by comprehensive surveys. Safety features, including railroad grade crossing elimination where hazards or traffic volume justify, are regarded as an essential part of the highway program."

The report's recommendation on grade crossings reads as follows: "There should be a continuous post-war program for the elimination of railroad-highway grade crossings which are dangerous or which delay a substantial volume of traffic, any assessments for construction costs levied therefor against railroads, or obligations imposed upon them for subsequent maintenance or taxes, to give adequate recognition to the growth of highway use and to the relatively small benefits derived therefrom by the railroads under present conditions. Costs of construction and maintenance of grade-crossing protection should be similarly allocated according to benefits."

Do Road Users Pay Enough?—The recommendation that highway users should contribute to costs in proportion to benefits is followed by another which holds that such contributions should come from "special taxes or fees," and "no part of these special user levies should be diverted from highway purposes." The report's discussion of this matter said that the users "are in fact at present paying a large percentage of the highway bill." The question of whether it is "their full share, or more or less than this," is called a "complicated technical" one, which was studied by the former Federal Coordinator of Transportation, and is now the subject of further study by the Board of Investigation and Research created by the Transportation Act of 1940.

The "Airport Facilities" report, as summarized by Mr. Groner, recommends "adoption of a federal-aid system comparable to that employed for highways," in place of "the past spotty development of

airports, financed in recent years mainly by the federal government.

Federal Aid for Airlines—"Federal funds, we believe, should be allotted to the states by a formula based on relative needs, should be available only for the construction and safeguarding of landing areas and should be matched in at least equal amounts by the states or municipalities, which should also be required to provide all land, buildings and maintenance. We advocate concentrating responsibility for airport work in a single agency in each jurisdiction—federal, state, and local—and recommend joint surveys by these agencies to determine airport needs. Publicly owned airports should as soon as practicable be put on a self-sustaining basis, and should not be built where they would result in destructive competition with existing private airports suitable for the type of service in prospect."

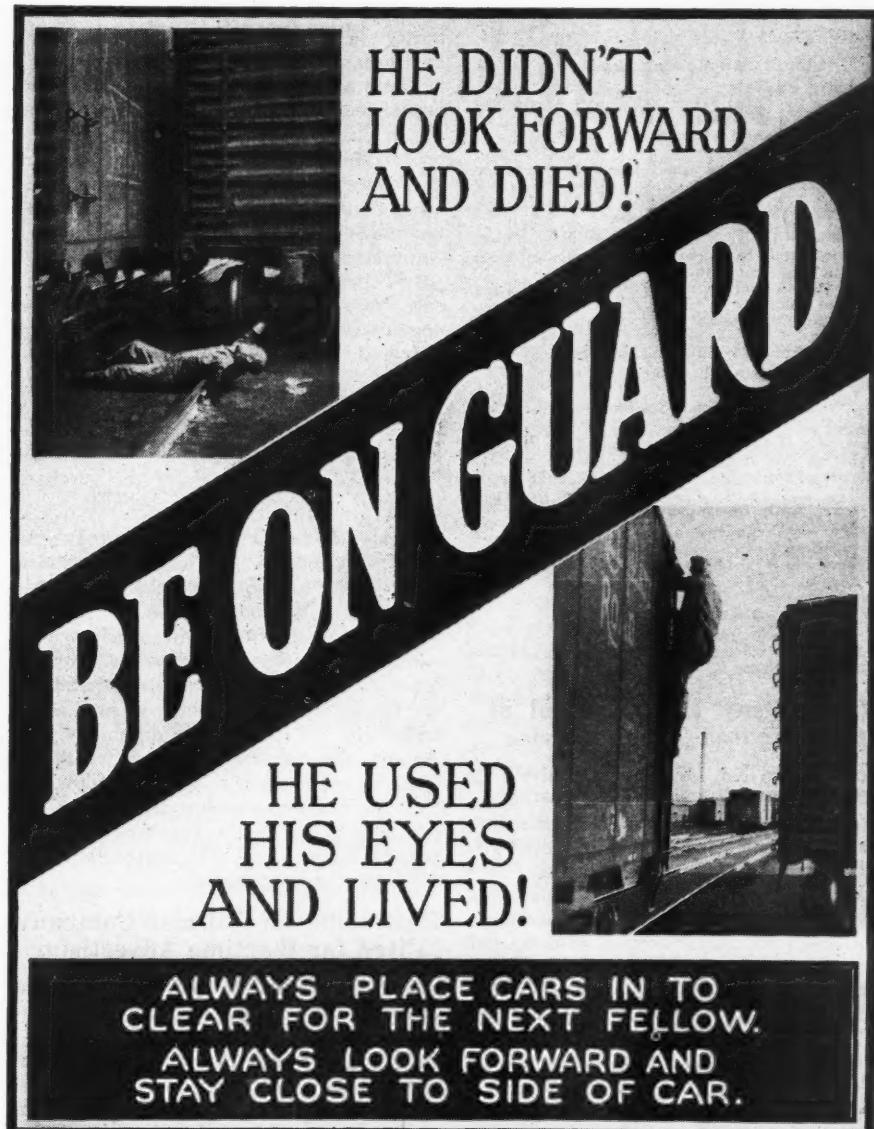
A footnote in the airport report reveals that Chairman Brooke of the Virginian "dissents from the recommendation for federal appropriations for airports."

First of the resolutions adopted by the committee deals with wartime transport conservation. It asserts that wartime demands continue to tax domestic transportation facilities and calls for continued intensified cooperation of shippers and carriers in the efficient utilization of rail and motor equipment; extension of joint-action plans among motor carriers; continuance of the "don't travel" campaign; and further conservation of local transport facilities through staggered hours and group riding in private automobiles.

"A breakdown of our national transportation system," says the resolution, "would be disastrous and progressive deterioration is tending toward that end." It concludes with a plea that government agencies, military and civilian, "provide, as a part of the war effort, such additional manpower, equipment, repair parts and materials as are essential for the continued effective functioning of the necessary passenger and freight transportation facilities."

Undermaintenance Reserves — The second resolution is a revision of a previous

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April Safety Poster

Educational Poster No. 248, Being Distributed by the Committee on Education, Safety Section, A. A. R., as the Current Installment in its "All the Year-Every Year Safety Program."

declaration made in 1939. It recommends exemption from income tax of reserves set aside for post-war maintenance and repair; arrangements whereby railroads changing to the depreciation system of accounting, as now required by the Interstate Commerce Commission, should not be required to write down their capital bases for excess profits tax purposes by amounts of prior depreciation; repeal of remaining provisions of the land-grant-rate law; and limitation of railroad costs in grade crossing eliminations and bridge alterations to the "net benefits" accruing to the carriers. Also, the resolution opposes legislative rate-making, objecting specifically to the uniform rate bills now pending in Congress.

The third and final resolution calls for prescription by the federal government of "minima standards for size and weight limitations applicable to commercial vehicles operating on interstate highways."

Freight Claim Division to Hold Annual Meeting April 25-27

The annual session of the Freight Claim division of the Association of American Railroads will be held at Cincinnati, Ohio, on April 25-27. The tentative program is as follows:

April 25—Morning Session

Opening Business
Address by C. D. Hart, chairman of the division
Report of General committee
Report of secretary
Election of officers and General committee members

Afternoon Session

Address by C. H. Buford, vice-president, Operations and Maintenance department, Association of American Railroads.
Report of Committee on the Prevention of Loss and Damage
Prevention discussion

April 26—Morning Session

Prevention discussion (continued)

Afternoon Session

Report of Committee on Rules of Order
Report of Tellers on Appeal committee election
Balloting for Arbitration committees
Report of Committee on Freight Claim Rules

April 27—Morning Session

Report of Committee on Freight Claim Rules (continued)
Report of Tellers on Arbitration committee election

Afternoon Session

Report on principles and practices
Adoption of amended reports as a whole
Closing Business

Would Deny I. C. Control of Co-ordinated Truck Service

Joint Board No. 147, composed of W. B. Blake of Iowa, W. P. O'Donnell of Minnesota, and C. L. Doherty of South Dakota, has recommended in a proposed report that the Interstate Commerce Commission withhold its approval of an Illinois Central plan to substitute its own operations with leased trucks for certain co-ordinated services which it now provides under contractual arrangements with motor-carrier competitors. The proposed report in No. MC 86779 (Sub-No. 6), deals with six routes between points in Iowa, Minnesota, and South Dakota, recommending denial of the I. C. application for a certificate covering them.

The present co-ordinated service was established by the I. C. in May, 1942, in conformity with the Office of Defense Trans-

portation's General Order No. 1. The contractual arrangements with its competitors have been unsatisfactory because the equipment furnished has at times been so inadequate as to require operation of overflow merchandise cars, thus lessening the efficiency of the co-ordinated operations.

Nevertheless the joint board found that "on the whole" the services provided by the contract truckers have been "fairly adequate." Thus its further finding that the I. C. had failed to make the required showing of public convenience and necessity.

Senate Restores Cut in I. C. C. Valuation Funds

Before passing the Independent Offices Appropriation Bill for the fiscal year ending June 30, 1945, the Senate last week adopted an amendment offered by Senator LaFollette, Progressive of Wisconsin, restoring to the Budget estimate of \$655,000 the Bureau of Valuation appropriation which had been cut to \$500,000 by the House and reported in that amount from the Senate committee on appropriations. As noted in the issues of January 29 and March 18, the commission made elaborate presentations before the House and Senate committees in its effort to obtain the \$655,000 appropriation.

There was no objection to the LaFollette amendment on the floor of the Senate, the acting chairman of the committee on appropriations—Senator McKellar, Democrat of Tennessee—acceding to its sponsor's request that it be accepted so that the matter might have "further consideration in conference." Thus the bill, as finally passed by the Senate and sent to conference, carries a total of \$9,326,700 for the commission, \$145,000 more than the amount approved by the House. This net increase is \$10,000 less than the additional amount provided for the Bureau of Valuation because the Senate eliminated from the appropriation for motor transport regulation an item of \$10,000 proposed for the purchase of seven passenger motor vehicles.

"Color Line" Group in Jeopardy—As it left the Senate, the bill also included a provision to the effect that no funds appropriated by Congress could be allotted to any federal agency after such agency had been in existence for more than a year, if Congress had not appropriated any money specifically for such agency or specifically authorized the expenditure of funds by it. Among the agencies affected would be President Roosevelt's Fair Employment Practice Committee unless there should be favorable action on the President's pending request for a fiscal 1945 appropriation of \$585,000 for that agency.

Railroads and Pullman Company Cited for Wartime Advertising

Five individual railroads, the Eastern Railroads jointly, and the Pullman Company received certificates of merit from "Wartime Advertising Awards" for advertisements "contributing to the welfare, security and activity of the nation at war." The award jury, on which there were nine advertisers and advertising agents and one representative of the Office of War Information, singled out for certificates of

merit 100 advertisements which appeared in 1943, from several hundred submitted by advertisers. The New York Central received three such awards; the Pennsylvania, 2; the New York, New Haven & Hartford, 1; Chesapeake & Ohio, 1; Southern, 1; Eastern Railroads, 1; and Pullman, 1.

The New York Central prize-winners were those captioned: "Hero in Overalls" (the farmer); "Three Wartime Reasons to Cancel Reservations Promptly"; and, "Last Night I Couldn't Sleep" (which, like the other two, emphasized the burden which has been shouldered by the railroads, with the suggestion that the public do its share by conserving railway space).

Pennsylvania citations were for "The Lightburns of Crestline, Ohio" (typical railroad family, all-out in the war effort) and, "What It Takes to Move a Division" (75 trains crowded into one picture).

Other winning advertisements were: The New York, New Haven & Hartford's "Kid in Upper 4" (a soldier awake with his thoughts as his train speeds through the night); the Chesapeake & Ohio's "They Called It the 'Pursuit of Happiness'" (suggesting that "so long as the true meaning of those earlier words is understood, the rights that they proclaim will never be lost"); the Eastern Railroads' advertisement, "American Travelers Are the World's Best Sports"; and, the Pullman approach, "I'm as Sunk as a Jap Destroyer" (showing a soldier enduring a long wait, hoping for a berth cancellation.)

Mention of the Southern's award for "I'm Tired Tonight—and I'm Proud of It" appeared in the *Railway Age*, March 25.

Locomotives on the Katy

The Railway & Locomotive Historical Society, Inc., Boston, Mass., has recently issued its Bulletin No. 63. Under the title "Locomotives of the Katy", by Sylvan R. Wood, it presents complete data on the locomotives of the Missouri-Kansas-Texas Lines. Opening with a short history of the Katy, the larger part of the bulletin is devoted to a complete roster of the company's locomotives. Excerpts from shop records, and other data pertaining to the locomotives is also included. The bulletin is well-illustrated with numerous locomotive photographs.

O. D. T.'s Joint Action Program for Truckers Is Revised

Provisions under which common carrier truck operators may participate in joint action plans for the conservation of equipment and combination of operations have been modified by an amendment, effective March 27, to Office of Defense Transportation regulations. Under General Order ODT 3, Revised, Amendment 8, the successor to a participant in such a joint action agreement must conform to all provisions of the plan, subject to the right to obtain adjustments in its conditions upon proper application to the O. D. T.

Another feature of the revised order is its provision that the director of the O. D. T. Division of Motor Transport may require any two or more common carrier truckers to formulate and submit within a specified time a plan for joint action, or

explain their failure to do so. These modifications in the order have been put into effect, the O. D. T. explained, both to conserve equipment and manpower and to afford the truckers further opportunity to improve operating efficiency and better their financial position.

Freight Car Loading

Loadings of revenue freight for the week ended March 25 totaled 778,925 cars, the Association of American Railroads announced on March 30. This was a decrease of 7,517 cars or 1.0 per cent below the previous week, a decrease of 8,415 cars or 1.1 per cent below the corresponding week last year, and a decrease of 29,361 cars or 3.6 per cent below the comparable 1942 week.

Loading of revenue freight for the week ended March 18 totaled 786,442 cars, and the summary for that week, as compiled by the Car Service Division, A. A. R., follows:

Revenue Freight Car Loading

For the Week Ended Saturday, March 18			
District	1944	1943	1942
Eastern	157,934	157,720	165,814
Allegheny	175,606	172,833	181,780
Pocahontas	54,550	56,482	54,021
Southern	127,051	122,895	127,361
Northwestern	84,568	72,376	88,059
Central Western	117,760	116,137	115,222
Southwestern	68,973	69,691	64,397
Total Western Districts	271,301	258,204	267,678
Total All Roads	786,442	768,134	796,654
Commodities			
Grain and grain products	44,958	43,140	35,568
Live stock	14,587	12,517	10,448
Coal	169,342	173,612	152,837
Coke	15,140	14,958	14,068
Forest products	45,551	40,154	47,479
Ore	13,693	17,312	15,963
Merchandise l.c.l.	106,110	98,829	145,077
Miscellaneous	377,061	367,612	375,214
March 18	786,442	768,134	796,654
March 11	781,533	769,045	799,356
March 4	788,255	748,926	770,485
February 26	782,463	782,921	781,859
February 19	775,692	752,019	774,420
Cumulative Total,			
12 Weeks	9,312,199	8,873,641	9,347,916

In Canada.—Carloadings for the week ended March 18 totaled 69,635 compared with 69,184 for the previous week and 62,152 for the corresponding period last year, according to the compilation of the Dominion Bureau of Statistics.

Total for Canada	Total Cars Loaded	Total Cars Rec'd from Connections
Mar. 18, 1944	69,635	42,244
Mar. 11, 1944	69,184	40,532
Mar. 4, 1944	69,207	42,517
Mar. 20, 1943	62,152	42,426
Cumulative Totals for Canada		
Mar. 18, 1944	746,419	434,320
Mar. 20, 1943	660,860	414,280
Mar. 21, 1942	685,686	354,292

Tightens Control of Household Goods Truckers

Motor carriers of household goods have been placed under revised operating regulations, the Office of Defense Transportation has announced. Through General Order ODT 43, effective March 27, such carriers are required to take various measures for the conservation of equipment.

The new regulation applies to approximately 3,000 carriers operating about 10,000 trucks, the O. D. T. explained. They will be required to register with the nearest O. D. T. district office any over-the-road household goods truck movement which is

not loaded to 80 per cent of capacity, and when so registered may be required by the district manager to accept and transport shipments of household goods that have been registered with that office. Limitations are placed on the extent to which additional service may be exacted from the carrier under such circumstances, and the carrier is allowed, though not required, to register trucks for the transportation of other suitable freight if household goods are not available.

At the same time, carriers of household goods were exempted from most of the provisions of General Order ODT 3, as amended, which provides for the regulation of common carrier truck operations in general.

For the purposes of these orders, the O. D. T. has defined household goods as follows: "Personal effects and property used or to be used in a dwelling when a part of the equipment or supply of such dwelling; furniture, fixtures, equipment and the property of stores, offices, museums, institutions, hospitals, or other establishments when a part of the stock, equipment or supply of such . . . establishments; and articles, including objects of art, displays, and exhibits, which because of their unusual nature or value require specialized handling and equipment usually employed in moving household goods."

Mid-West Board Meeting

The Mid-West Shippers Advisory Board will hold its sixty-sixth regular meeting at the Palmer House, Chicago, on April 6. The program includes reports and discussions of transportation conditions and a testimonial luncheon in honor of William D. Beck, retired district manager of the Car Service division of the Association of American Railroads.

Mrs. Caraway Objects to South's Freight-Rate Structure

Senator Caraway, Democrat of Arkansas, made a speech in the Senate on March 28 on the subject of southern freight rates which she called "one of the most vital problems of the South." Among other things, she asserted that adjustment of the class-rate structure, as recommended in the Board of Investigation and Research report, "will by no means end the fight"; for she sees "discriminations" in commodity rates, too.

House Passes Rivers Bill With Tombigbee Out

The House last week passed the omnibus rivers and harbors bill after eliminating the \$66,000,000 Tennessee-Tombigbee project. That project, in and out of the bill at various stages of the proceedings before the committee on rivers and harbors, was finally included in the bill as reported; but it went out by a roll call vote of 195 to 157 on a motion offered by Representative Dondero, Republican of Michigan.

With Tombigbee out, the bill would authorize some 277 projects estimated to cost a total of \$381,386,531. If finally enacted, it will be the first general rivers and harbors bill passed in nearly six years, those of recent years having been offered as containing only projects necessary to the defense and war programs. Except for

projects which may be certified to be in that category, the present bill is offered as a post-war proposition, and it provides that no appropriations for its non-war projects shall be authorized until six months after the close of hostilities.

C. A. Miller Elected President of Washington Traffic Club

C. A. Miller, general agent of the Chicago & North Western, was elected president of the Traffic Club of Washington, D. C., at the annual election held on March 22. Other officers elected are: Vice-president, Rowland E. Dobbins, senior traffic officer, Food Distribution Administration; second vice-president, Gaylord Allen, general agent, Union Pacific; secretary-treasurer, Charles E. Milford, administrative officer, Finance Office, U. S. Army.

Air Shipments of Perishables

In connection with the completion of a study on the possibilities of handling perishables by air, a luncheon meeting was held in the Book-Cadillac hotel in Detroit, Mich., on March 23, at which some 40 varieties of tropical fruits and vegetables were served that had been tree or vine-ripened and had been picked as far away as Brazil only a few days before. All the commercial airlines co-operated in flying the perishables to Detroit for the luncheon.

Secretary of Agriculture Wickard spoke glowingly of the possibilities of handling perishables by air, based on the study made by Professor S. A. Larsen of Wayne University, Detroit, in connection with the Department of Agriculture. He was somewhat more optimistic in his estimates of the volume of such traffic than the speakers who followed him.

Col. E. S. Evans, president, Evans Products Company, Detroit, who financed the study, said that it had been undertaken to determine the possibilities and to develop actual facts, in place of the estimates that have hitherto been made as to the potentialities. While speaking enthusiastically as to the possibilities of bringing hitherto exotic perishables into the country by plane, he pointed out that, from all indications, the airlines could expect to handle only about one per cent of the total perishable traffic of the country for some years to come. He also explained the practical operating difficulties involved in the distribution of perishables and suggested that the most feasible method for all but a few of the products would be to fly them to the boundaries of the United States and turn them over to the railways there so that the efficient hauling and distributing methods of the railways might be used to the fullest extent. Col. Evans pointed out that, to supply Detroit alone with its customary quota of perishables would mean the arrival of a plane every six minutes, day and night, throughout the year.

The results of the study were contained in a 100-page booklet, which presents a picture of the country's perishable movement. The study was made solely on the basis of traffic economics, without regard to operating problems. At 15 cents per ton-mile for the line haul alone, an insignificant amount of traffic would be di-

verted to the air, consisting only of small amounts of strawberries and tomatoes, on which the consumer would be willing to pay sizeable premiums. If the rate could be reduced to 10 cents a ton-mile, select peaches and certain varieties of beans would be added to the list. At 7 cents per ton-mile, 9 varieties of fruits and 10 vegetables were listed as potentialities for air haulage and at 5 cents per ton mile, 13 fruits and 18 vegetables were listed, representing a potential traffic of nearly a billion ton-miles. If the cost could be reduced to 3 cents a ton-mile it is estimated that the potential market for air haulage would reach more than 4 billion ton-miles. The study indicates that apples, turnips and potatoes would not be suitable for air shipment even at the very lowest rates.

Chicago Traffic Club Elects Officers

Officers selected at the annual election of the Traffic Club of Chicago are as follows: President, S. L. Felton, general traffic manager of the Acme Steel Company; first vice-president, J. H. Burke, vice-president and general manager of the Chicago Tunnel Transport Company, the Chicago Warehouse and Terminal Company and the Chicago Tunnel Co.; second vice-president, R. V. Craig, general traffic manager of Allied Mills, Inc.; third vice-president, W. R. Cox, freight traffic manager of the Pennsylvania; secretary, Geo. H. Weiss, shipping editor of the Chicago Journal of Commerce; and treasurer, R. J. Wallace, traffic manager of the Jaques Manufacturing Company.

Trans-Canada Air Lines Report Revenue and Traffic Gain

The 1943 annual report of Trans-Canada Air Lines (subsidiary of the C. N. R.) reflects a substantial increase over the preceding year in traffic carried and in operating revenues. The increase over 1942 in passengers carried was 34 per cent; air express volume, 126 per cent; air mail volume, 61 per cent, and, apart from its trans-Atlantic mail service, T. C. A. carried 200,000,000 air mail letters in 1943. Operating revenues showed an increase of \$2,042,183, the 1943 total being \$9,379,501, while operating expenses totaled \$8,974,902, an increase of \$2,346,503, or 35 per cent above the preceding year. After payment of interest and other charges, there was a surplus for the year of \$147,889.

H. J. Symington, president of T. C. A., in presenting the report, remarked upon present and future operations of the company. He observed that in 1943 its chief tasks had been improvement and intensification of its Canadian and Newfoundland services, development for the Dominion government of a trans-Atlantic air service, and execution of a heavy program of military aircraft overhaul.

With respect to the future, he said: "The company plans to provide extended services in the Maritime Provinces, including a new service via Saint John, N. B., to Halifax and Sydney, as soon as the necessary ground and communications facilities are made available. Also awaiting the installation of ground and other facilities is a through service from Winnipeg to Edmonton via Sas-



C. D. Young and Ralph Kelly See Christening of Locomotive for Russia

Gen. L. G. Rudenko, of the Russian Army, launches the first of a fleet of 800 locomotives built for the Soviet government by the Baldwin Locomotive Works. At extreme left is Vasili A. Sergeev, Soviet vice-commissar of foreign trade, and at right, Brig. Gen. C. D. Young, acting director, Office of Defense Transportation, and Ralph Kelly, Baldwin president. The locomotive is a modernized version of the 5-ft.-gauge Decapod type built by Baldwin for Russia during the World War I.

katoon, providing not only a shorter route between those cities but also to the Yukon and Alaska."

As the sole Canadian agency, authorized by the Dominion government to operate international air services, the company reveals that it awaits with interest a world air policy and the completion of international agreements now in the making. Meanwhile T. C. A. is carrying on intensive research on potential air traffic and routes, having already surveyed routes to the West Indies and South America.

Susquehanna's Commuter Bus Service Called Line-Haul

Making his proposed report on further hearing in the No. MC-88797 proceeding involving the New York, Susquehanna & Western's train-connection commuter bus service between Susquehanna Transfer (North Bergen), N. J., and upper Manhattan, Examiner L. B. Dunn has recommended that the Interstate Commerce Commission reverse Division 5's prior report with a finding that the operation is a line-

haul movement requiring a certificate under the Motor Carrier Act. At the same time the examiner would have the commission grant the Susquehanna's application for a certificate authorizing the operation.

As noted in the *Railway Age* of August 29, 1942, page 354, Division 5 dismissed the application with a finding that the operation was "an intraterminal transfer service incidental to rail service," and thus exempt, under section 202(c), from Motor Carrier Act provisions except those relating to qualifications and maximum hours of service of employees and safety of equipment.

The examiner had no difficulty in finding that the Susquehanna, an operator of passenger service into New York for over 50 years, had a New York terminal area; but he went on to find that not all transportation service within a terminal area is "a terminal service." Neither could he stretch his imagination to the point of finding that New York was within the road's North Bergen terminal area. In that connection, he said: "While in theory, as a strained legal fiction we could regard Sus-

queanna Transfer as the major terminal, that would require a finding that Times Square is within applicant's established terminal area of and for North Bergen, which would be a case of 'the tail wagging the dog.' To say nothing of the shock such a finding would be to New Yorkers, it seems highly illogical."

Favors the Service—"The considered service," he said later on, "is not incidental to applicant's principal service,—it is of its very essence. It is a part, and an indispensable part, from a practical standpoint, of applicant's line-haul, or hauls, into New York City. It is to applicant's principal service what the neck is to the human body. If it were a genuine transfer service there would have to be a further additional line-haul service to and from the Times Square terminus, with through fares under a common arrangement or control."

Evidence summarized in the proposed report showed that the operation has been highly successful in regaining commuter traffic for the Susquehanna, especially since the road installed its new streamlined, air-conditioned, two-car, Diesel trains between Susquehanna Transfer and Patterson. The bus service is provided under contractual arrangements with Public Service Interstate Transportation Company; and some of the protestants contended that a certificate, if issued, should go to that company. The examiner rejected the contention.

December Bus Revenues 11.5 Per Cent Above 1942

Class 1 motor carriers of passengers reported December, 1943, revenues of \$30,176,663, as compared with \$27,053,512 in December, 1942, an increase of 11.5 per cent, according to the latest compilation prepared by the Interstate Commerce Commis-

in farm transportation this year, and in carrying out its responsibility of conserving transportation and at the same time providing for the orderly and continuous movement of farm products from producer and market and of farm supplies to the farm consumer, the O. D. T. is aiming at the institution of community programs among farmers to secure their co-operation, it was explained. Various types of wasteful operation of farm vehicles will be targets for efforts to attain greater efficiency in use and a higher degree of conservation, the O. D. T. pointed out. As one example of such wasteful operation was mentioned the use of farm vehicles to transport farm products to, or farm supplies from, a point beyond the nearest practicable market.

I.C.C. Spotting Rule Wins Court Approval

(Continued from page 653)

part II, but has issued supplemental reports—accompanied by "cease and desist" orders when its findings have so required—after investigating the circumstances in individual cases, as was done in the instance here in litigation. In such cases the Supreme Court has held that "the point in time and space at which the carrier's transportation service ends is a question of fact to be determined by the commission and not the courts, and that its findings on that question will not be disturbed by the courts if supported by evidence."

In this case, the court explained, the commission had made a thorough examination of car movements within the Staley plant area, which extends a distance of about

continued to be used as before. "The controlling question," said the Chief Justice, "is whether the movement from the interchange tracks to points of loading and unloading is a plant service for the convenience of the industry, or a part of the carrier service comparable to the usual car delivery at a team track or siding. The commission's finding that it is a plant service is supported by evidence and must be accepted as conclusive here."

The court summarized the background of the case in pointing out that the commission on May 22, 1936, directed the railroads to abandon the practice of paying allowances to Staley for the performance of the spotting service. After court decisions supporting the commission in similar findings in other cases, the payment of allowances was abandoned, and the carriers established a charge of \$2.50 per car for the spotting service, the performance of which they assumed. Schedules proposing the cancellation of this charge were subsequently filed with the commission to become effective December 15, 1939, and it was the commission's refusal to approve such schedules that led to the court proceedings.

Do Competitors Get This Service?—Turning to the contention that the order results in discrimination against Staley because the record is said to show that similar spotting service is being rendered at competing plants, the court held that the issue in the instant case is the departure from filed tariffs, that is, the violation of section 6(7), and upon the commission's finding that there was evidence of such violation "it is unnecessary, in order to support the commission's order, to consider whether generally similar allowances or services at other plants are, or are not, lawful." The finding that "preference" to Staley resulted from the spotting charge allowances was not based upon a comparison of conditions at that plant with those of others, but upon an application to the actual conditions at the Staley plant of the standards laid down in the Ex Parte 104 report.

As to a complaint that the commission had delayed some six years in investigating spotting services rendered at plants of Staley's competitors, the court pointed out that the parties have been free "to initiate proceedings to eliminate any unlawful preferences or discriminations affecting them if they so desired, . . . and no reason appears why they could not have done so. There are other modes of inducing the commission to perform its duty than by setting aside its order prohibiting a practice which plainly violates section 6(7), because it has not made like orders against other offenders. The suppression of abuses resulting from violations of section 6(7) would be practically impossible if the commission were required to suppress all simultaneously or none."

Hare's History of the North Pennsylvania Railroad

There has been published a "History of the North Pennsylvania Railroad," written by Jay V. Hare, secretary-treasurer, Reading Company. Printed in pamphlet form, it comprises thirty 8-in. by 11-in. pages. Nine chapter headings briefly tell the story of the contents: Location of railroad and

sion's Bureau of Transport Economics and Statistics from 172 reports representing 177 bus operators. Passengers carried increased 11.9 per cent, from 41,771,173 to 46,725,727.

The breakdown by regions of the bus revenue and traffic figures, which exclude data on charter or special party service, is given in the accompanying table.

To Save Farmers' Truck-Miles

Through nine regional meetings, the first of which was held this week in Salt Lake City, Utah, the Office of Defense Transportation has undertaken to explain the national farm transportation situation to local groups, including representatives of its own regional offices and those of the War Food Administration, Agricultural Adjustment Agency, and the Department of Agriculture, according to an O. D. T. press release. These meetings will continue through April. In anticipation of increasing difficulties

2½ miles, includes some 40 buildings, and contains approximately 20 miles of track, having 18 points at which freight is loaded and unloaded. "It found that inbound cars are in the first instance placed upon interchange tracks from which they are later spotted at the points of loading and unloading, a service requiring in numerous instances two or more car movements;" that the interchange tracks are "reasonably convenient" points for the delivery and receipt of cars; that movements beyond the interchange tracks are performed at the industry's convenience and not the carrier's; and that the service performed beyond the interchange tracks is in excess of that involved in switching to a team track or ordinary industrial siding.

Plant Service a Charge on Customer—Subsequent to the commission's Ex Parte 104 report, the court added, control of the interchange tracks was transferred by lease from the industry to the Wabash, but they

organization of company; early construction, opening of railroad between Philadelphia and Gwynedd; completion of railroad to Doylestown and Bethlehem; famous North Pennsylvania locomotives; early operations and traffic development; construction of Delaware river branch; adoption of standard time; the Centennial Exhibition of 1876; and the lease.

Free copies may be had by applying to the Publicity Department, Reading Company, Reading Terminal, Philadelphia, Pa.

H. M. Sims to Head Public Relations of Western Lines

Appointment of Harold M. Sims, executive assistant of the Great Northern, to head a newly created public relations department of the Western Association of Railway Executives, was announced by C. E. Johnston, chairman of the Association, following a meeting in Chicago on March 24. The new department will succeed the Western Railways Committee on Public Relations, a committee of railroad presidents, which was organized in 1922. At the suggestion of the Western presidents, a committee of public relations officers was named last fall to develop plans for the reorganization and expansion of the public relations program of the Western lines as a department of the W. A. R. E.

Creation of the new department was approved at a meeting of the Western executives in December and became effective January 1. The new department will continue the activities of the former committee. It will concern itself primarily with the attitude of the general public towards the railroad industry and endeavor to promote a widespread understanding of matters of mutual interest.

Mr. Sims came to the Great Northern seventeen years ago in a capacity similar to that in which he comes to the W. A. R. E.



Harold M. Sims

He has served as assistant in public relations matters to three Great Northern presidents, Ralph Budd, the late W. P. Kenney, and Frank J. Gavin. He was in charge of the Great Northern's radio advertising when it presented the "Empire Builders" programs on a national network in 1929 to



Photo Courtesy C.P.R.

Fighting Minor Blazes in Yards

An emergency hose line attached to the injector discharge pipe of the locomotive obviates need for summoning the city fire department. By opening a valve, a pressure stream, capable of being thrown 100 ft., is immediately available.

1931, and is responsible for the company's institutional advertising in on-line newspapers and farm magazines. He is a member of the Advisory Committee on Public Relations of the Association of American Railroads, and chairman of the public relations committee of the railways in Minnesota, North Dakota, Montana and Washington.

Prior to his employment by the Great Northern Railway, Mr. Sims was on the editorial staff of the Portland Oregonian, and had been engaged in the newspaper and advertising business in Idaho, Utah and Oregon. He was a member of the Idaho legislature. He was born at Kasson, Minn., and attended the public schools at Kasson and St. Cloud, Minn., and colleges in Minneapolis and St. Paul.

Since the beginning of the war he has directed the Great Northern's participation in several programs related to the war effort.

He is chairman of the employee-management committee in charge of the war bond program for the Great Northern system which, according to a recent announcement by the U. S. Treasury Department, rates third among railways employing more than 20,000 persons.

Fire-Fighting Facilities

Ten permanent "smoke-eaters" and 200 auxiliary firemen, recruited from shop employees, represent the fire-fighting force maintained by the Canadian Pacific at Angus shops (Montreal), reputed to be one of the largest fully-equipped, privately-owned fire stations in Canada. Apart from conventional types of fire-fighting apparatus, yard engines are equipped to combat fires in freight and terminal yards.

In the four shops at Angus there have been set up fire zones and 40 alarm boxes. Teletype alarm apparatus registers all fire calls, and code signals indicate the box number and approximate location of the fire. Also maintained are two stationary fire pumps, one steam and the other electrically-driven. Seventy-eight hydrants are

strategically located throughout the area.

Extensive lumber storage yards are fully-protected by four fire-fighting towers 25 ft. high. From these, hose streams of 200-ft. radius can be projected.

Mobile equipment includes two modern hose and ladder trucks and an ambulance, and there is also a hospital at Angus, with medical and nursing staff.

Emergency Board Reports on Hudson & Manhattan Case

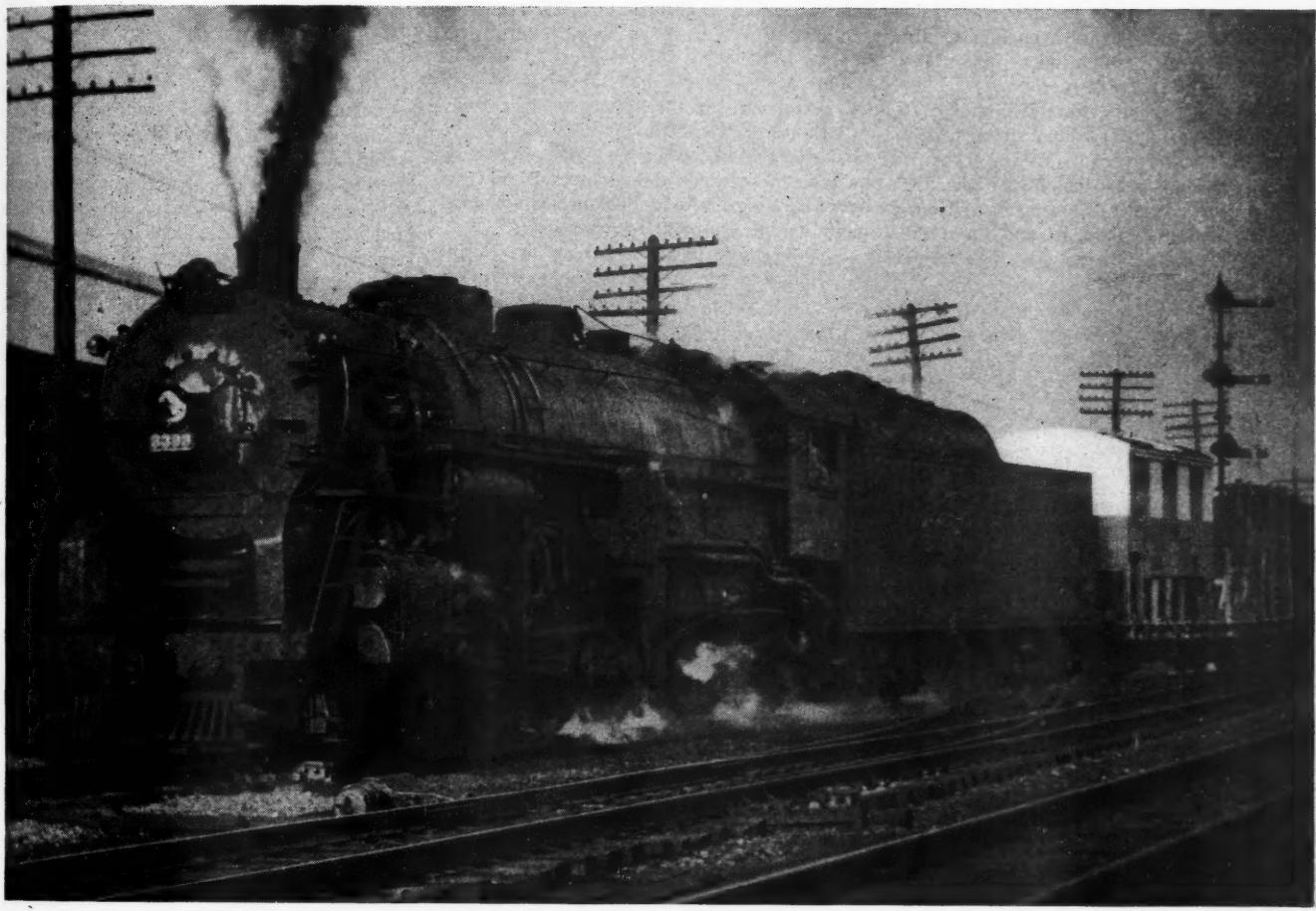
Wage adjustments in line with the year-end general settlement have been recommended by a National Railway Labor Panel emergency board for Hudson & Manhattan employees represented by the Brotherhood of Locomotive Engineers and Brotherhood of Railroad Trainmen. Thus the board, which submitted its report to President Roosevelt on March 24, recommended an increase of nine cents per hour, the five cents "in lieu" factor being retroactive to December 27, 1943, and the four cents to July 6, 1943.

For the operating employees generally the four-cent factor was retroactive to April 1, 1943, but it was explained that the H. & M. adjustment flows from the expiration of contracts which ran up to July 5, 1943. Members of the board, which held hearings in New York during the latter part of February, were: Chairman Robert D. Calkins, dean of the School of Business, Columbia University; Walter C. Clephane, Washington, D. C., attorney; and Frank M. Swacker, New York attorney.

Bay State Industries Oppose "Uniform" Freight Rates

Alarmed at the "organized action" of proponents of so-called uniform freight rate legislation, now before Congress, the Associated Industries of Massachusetts has sent to its 2,000 member industries, a 12-page pamphlet entitled "Memorandum on Legislative Rate-Making and Summary of Pertinent Facts of Vital Interest to All Industry." In a letter accompanying

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Locomotives are being worked longer and harder than ever in railroad history. Only in this way can the war-time burden of transportation be handled.

Railroad equipment of all kinds is undergoing a supreme test and out of this testing is coming confirmation of the soundness of Lima design and workmanship.

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INCORPORATED, LIMA, OHIO

the booklet, Roy F. Williams, executive vice-president of the group declares that, should the bills in question be enacted into law, they will put the freight-rate structure in a "straight jacket." There would ensue, he charges, a "rigid and inflexible pattern of rates, destroying all the important factors which have for years been impartially considered by the Commission under the Act to Regulate Commerce."

Moreover, continues Mr. Williams, "If Congress bows to the whiffs and pressure of the Southern governors in this case, it will throw our railroads back into the political arena, render the Interstate Commerce Commission impotent and upset the industrial life of many sections of the North, West and South."

Seeking support for continuance of the present system, the Massachusetts association makes several contentions in the booklet: (1) The proposed bills are almost solely advocated by Southern governors and congressmen; (2) Southern shippers are opposed to the bills; (3) their passage would be disastrous to the railroads and industry; (4) vital to our transportation policy is the integrity and independence of the I. C. C.; and (5) the I. C. C. must continue as the recognized governmental regulatory agency.

White to Address Atlantic States Shippers Board

Principal speaker at the 64th regular meeting of the Atlantic States Shippers Advisory Board, at Hotel Syracuse, Syracuse, N. Y., April 13, will be William White, president of the Delaware, Lackawanna & Western. President White will address the luncheon sponsored jointly by the Atlantic Shippers and the Traffic Club of Syracuse.

A highlight of the business session will be a 90-min. program on freight-car efficiency.

Speakers will include Charles M. Naylor (Towson, Md.), general chairman, Freight-Car Efficiency Committees; Henry G. Elwell (Elizabeth, N. J.), vice-chairman of the Car-Efficiency groups; Lt. Col. C. D. O'Neal, transportation officer of the Jersey City (N. J.) Quartermaster Depot; Lt. F. Gordon Blee, shipping officer of the Naval Supply Depot at Mechanicsburg, Pa., and Ralph Tobin (Utica, N. Y.), agent of the New York Central.

There will be a talk on national transportation conditions by Warren C. Kendall, (Washington, D. C.), chairman of the Car Service Division, Association of American Railroads; a forecast of carloadings in the Board's territory for the second quarter of the year; and presentation of committee reports. R. W. Brown, president of the Lehigh Valley, will give the report of the Railroad Contact Committee, which he heads.

B. of R. T. Is Proselytizing Against Other Unions

The Brotherhood of Railroad Trainmen, in its so-called "Win-the-War Membership Drive" (February 22-April 30) is offering \$5 to any B. of R. T. member who obtains an application from a "no-bill," or a member of the Order of Railway Conduc-

tors or Switchmen's Union of North America, who subsequently becomes a full-fledged member of the B. of R. T.

Condemning leaders of the O. R. C. and S. U. of N. A. for their "unpatriotic" refusal to permit President Roosevelt to arbitrate their wage dispute last December (following which there was government operation of the railroads for 22 days), A. F. Whitney, president, B. of R. T., in the March issue of the brotherhood's official organ, asserts that "during this period the misleaders of the firemen, conductors and switchmen earned the contempt of the overwhelming majority of American people, including their own memberships."

The 700 new members which the B. of R. T. picked up in January he attributes to the reaction of the "rank and file of railroad labor" against the "vicious propaganda circulated by the Three Blind Mice [Messrs. Robertson, Cashen and Fraser] immediately following their refusal to permit our Commander-in-Chief to dispose of the differences existing between the railroads and the transportation brotherhoods."

"It has therefore become apparent," Mr. Whitney reasons, "that the interests of the war demand that every eligible train and yard man become a member of the

Brotherhood of Railroad Trainmen." B. of R. T. "prestige," he states, has reached "such new heights as a result of the wage settlement" that an all-out membership drive was at once indicated.

Handy Guide to Safety in Train Service

A 64-page, vest-pocket handbook, entitled "These Wheels Must Turn," has been published by the Committee on Education, Safety Section, Association of American Railroads. Recommended especially as an aid in instructing those newly employed in train service, the booklet is purposed to be "not a book of rules or instructions," but rather a compilation of safety suggestions based on practical experience of employees in the field. It is generously illustrated, giving numerous examples of right and wrong practices, and the Committee holds that distribution now is particularly timely. Accordingly, 100,000 pamphlets have been made available for train service employees or others subject to personal injury in connection with the movement of trains, engines or cars.

The accompanying illustration, which is self-explanatory, appears also opposite the foreword page in the booklet, wherein

HOLD THAT LINE

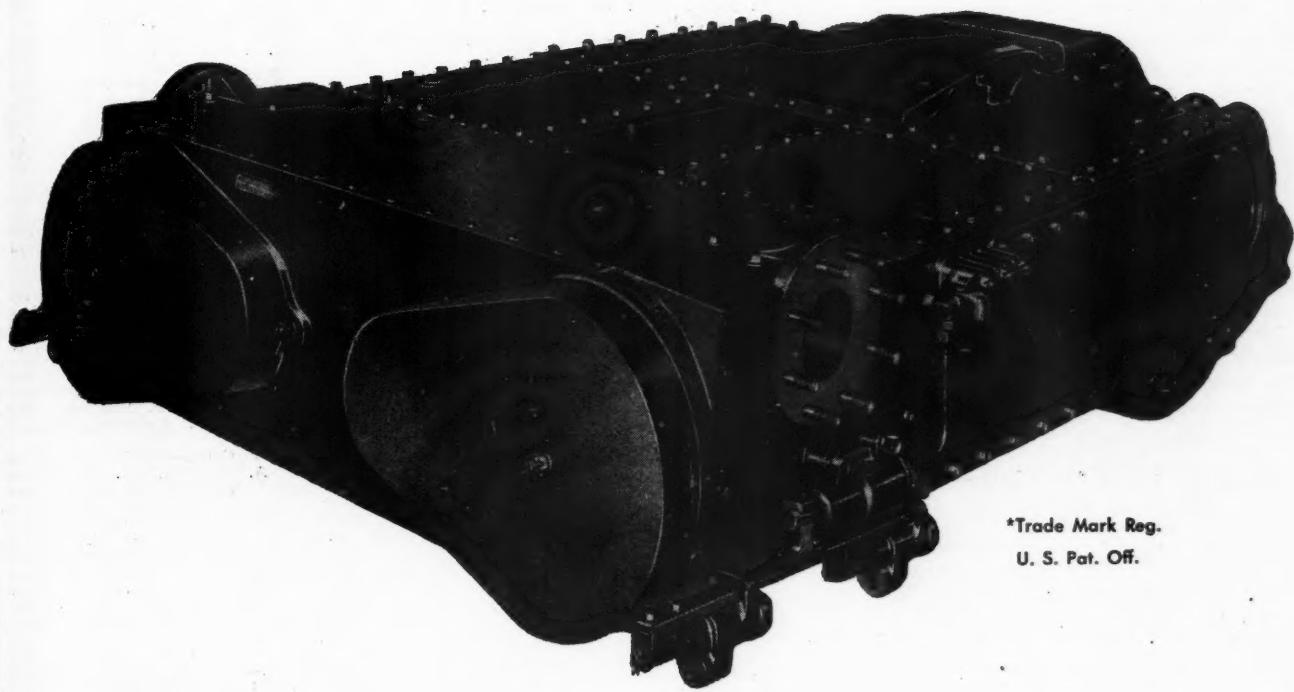
CASUALTIES TO RAILWAY EMPLOYEES ON DUTY IN TRAIN SERVICE ACCIDENTS

Year	RATE PER MILLION MAN-HOURS	TOTAL NUMBER
1928	5.6	23,535
1929	5.2	21,874
1930	3.7	13,483
1931	3.3	9,425
1932	3.1	7,228
1933	2.9	6,361
1934	2.9	6,652
1935	2.9	6,650
1936	3.4	8,737
1937	3.3	9,036
1938	2.8	6,289
1939	2.8	6,732
1940	3.1	7,752
1941	3.7	10,867
1942	4.7	15,793
1943	5.7	20,536

FIGURES FOR 1943 BASED ON 9 MONTHS ENDED SEPTEMBER 30, 1943.

SAFETY DEPENDS UPON FULL KNOWLEDGE OF RULES AND WILLINGNESS TO OBEY THEM

Expressly designed for today's conditions



*Trade Mark Reg.
U. S. Pat. Off.

the New Type "E" Booster

Recognizing the trend in locomotive design toward higher boiler pressures, and noting the many new factors in current steam locomotive operation, the new Type "E" Booster has been developed expressly to meet today's conditions. Its short cut-off takes full advantage of the expansive properties of the steam and effects marked economies in steam consumption. A

special starting feature enables the new Type "E" Booster to develop full initial starting effort, and a new air control assures efficient Booster operation, and engagement at higher speed.

In every element, the new Type "E" Booster has been designed to conform directly to the new conditions under which it is to serve.



FRANKLIN RAILWAY SUPPLY COMPANY, INC.

NEW YORK • CHICAGO

In Canada: FRANKLIN RAILWAY SUPPLY COMPANY, LIMITED, MONTREAL

attention is called to the "startling recent increase in both the number of accidents and the rate per million man hours." "The importance of preventing train service accidents," the pamphlet explains, "is seen in the fact that out of a total of 941 employees killed and 35,208 injured in a single year in all railway accidents, 62 per cent of those killed and 43 per cent of those injured were due to accidents in train service."

This graph also constitutes Poster No. 247, the March installment in the Safety Section's "All the Year-Ever Year Safety Program."

Predicts 3 Per Cent Loading Rise for Second Quarter

Freight car loadings in the second quarter of 1944 are expected to be about three per cent above actual loadings for the same quarter of 1943, according to estimates compiled by the 13 Regional Shippers' Advisory Boards.

On the basis of those estimates, loadings of the 28 principal commodities will be 9,209,507 cars, compared with 8,943,554 actual car loadings for the same commodities in the corresponding period in the preceding year. Seven of the 13 boards estimated an increase over 1943 in second-quarter loadings, while three estimated decreases. With respect to commodities, increased loadings were estimated for 17 and decreases for 11.

C. & E. I. Offers Victory Garden Prizes

Owners of the best war gardens cultivated this year in the war garden program of the Chicago & Eastern Illinois will be awarded war bonds and stamps. Contest gardeners will be divided into groups of employees who lease land adjacent to the right of way, employees who have backyard gardens or gardens near their homes and other persons not employed by the railroad who have leased right of way plots.

Meetings and Conventions

The following list gives names of secretaries, dates of next or regular meetings and places of meetings:

ALLIED RAILWAY SUPPLY ASSOCIATION.—J. F. Gettrust, P. O. Box 5522, Chicago 80, Ill.

AMERICAN ASSOCIATION OF GENERAL BAGGAGE AGENTS.—E. P. Soebbing, Railway Exchange Bldg., St. Louis, Mo.

AMERICAN ASSOCIATION OF PASSENGER TRAFFIC OFFICERS.—B. D. Branch, C. R. R. of N. J., 143 Liberty St., New York 6, N. Y.

AMERICAN ASSOCIATION OF RAILROAD SUPERINTENDENTS.—Miss Elinor Heffern, Room 839, 310 South Michigan Ave., Chicago 4, Ill. Annual meeting May 9-11, 1944, Hotel Stevens, Chicago, Ill.

AMERICAN ASSOCIATION OF RAILWAY ADVERTISING AGENTS.—E. A. Abbott, Poole Bros., Inc., 85 W. Harrison St., Chicago, Ill.

AMERICAN ASSOCIATION OF SUPERINTENDENTS OF DINING CARS.—F. R. Borger, C. I. & L. Ry., 836 S. Federal St., Chicago, Ill.

AMERICAN RAILWAY BRIDGE AND BUILDING ASSOCIATION.—Miss Elinor Heffern, Room 839, 310 South Michigan Ave., Chicago 4, Ill. Annual meeting, October, 1944, Chicago, Ill.

AMERICAN RAILWAY CAR INSTITUTE.—W. C. Tabbert, 19 Rector St., New York 6, N. Y.

AMERICAN RAILWAY DEVELOPMENT ASSOCIATION.—J. B. Lanctot, Canadian National Rys., St. Paul, Minn.

AMERICAN RAILWAY ENGINEERING ASSOCIATION.—Works in cooperation with the Association of American Railroads, Engineering Division.—W. S. Lacher, 59 E. Van Buren St., Chicago 5, Ill.

AMERICAN RAILWAY MAGAZINE EDITORS' ASSOCIATION.—Page N. Price, Norfolk & Western Magazine, Roanoke, Va.

AMERICAN SHORT LINE RAILROAD ASSOCIATION.—W. R. Stough, Jr. (Ass't Secy-Treas.), Tower Bldg., Washington, D. C.

AMERICAN SOCIETY OF MECHANICAL ENGINEERS.—C. E. Davies, 29 W. 39th St., New York 18, N. Y.

Railroad Division.—E. L. Woodward, Railway Mechanical Engineer, 105 W. Adams St., Chicago 3, Ill.

AMERICAN TRANSIT ASSOCIATION.—Guy C. Heckler, 292 Madison Ave., New York 17, N. Y.

AMERICAN WOOD PRESERVERS' ASSOCIATION.—H. L. Dawson, 1427 Eye St., N. W., Washington 5, D. C. Annual Meeting, April 26, 1944, Palmer House, Chicago, Ill.

ASSOCIATED TRAFFIC CLUBS OF AMERICA, INC.—A. S. Beery, Newsweek, Dayton, Ohio.

ASSOCIATION OF AMERICAN RAILROADS.—H. J. Forster, Transportation Bldg., Washington 6, D. C.

Operations and Maintenance Department.—Charles H. Buford, Vice-President, Transportation Bldg., Washington 6, D. C. Operating-Transportation Division.—L. R. Knott, 59 E. Van Buren St., Chicago 5, Ill.

Operating Section.—J. C. Caviston, 30 Vesey St., New York 7, N. Y.

Transportation Section.—H. A. Eaton, 59 E. Van Buren St., Chicago 5, Ill. Fire Protection and Insurance Section.—W. F. Steffens, New York Central, Room 3317, 230 Park Avenue, New York 17, N. Y.

Freight Station Section.—N. Kaplan, 59 E. Van Buren St., Chicago 5, Ill. Medical and Surgical Section.—J. C. Caviston, 30 Vesey St., New York 7, N. Y.

Protective Section.—J. C. Caviston, 30 Vesey St., New York 7, N. Y.

Safety Section.—J. C. Caviston, 30 Vesey St., New York 7, N. Y.

Telegraph and Telephone Section.—W. A. Fairbanks, 30 Vesey St., New York 7, N. Y.

Engineering Division.—W. S. Lacher, 59 E. Van Buren St., Chicago 5, Ill.

Construction and Maintenance Section.—W. S. Lacher, 59 E. Van Buren St., Chicago 5, Ill.

Electrical Section.—W. S. Lacher, 59 E. Van Buren St., Chicago 5, Ill.

Signal Section.—R. H. C. Balliet, 30 Vesey St., New York 7, N. Y. Annual meeting, October 4-5, 1944, Hotel Stevens, Chicago, Ill.

Purchases and Stores Division.—W. J. Farrell (Executive Vice-Chairman), Transportation Bldg., Washington 6, D. C. Annual meeting, June 22-23, 1944, Palmer House, Chicago, Ill.

Freight Claim Division.—Lewis Pilcher, 59 E. Van Buren St., Chicago 5, Ill. Annual meeting, April 25-27, 1944, Netherland Plaza Hotel, Cincinnati, O.

Motor Transport Division.—George M. Campbell, Transportation Bldg., Washington 6, D. C.

Car Service Division.—E. W. Coughlin (Assistant to Chairman), Transportation Bldg., Washington 6, D. C.

Finance, Accounting, Taxation and Valuation Department.—E. H. Bunnell, Vice-President, Transportation Bldg., Washington 6, D. C.

Accounting Division.—E. R. Ford, Transportation Bldg., Washington 6, D. C.

Treasury Division.—E. R. Ford, Transportation Bldg., Washington 6, D. C.

Traffic Department.—A. F. Cleveland, Vice-President, Transportation Bldg., Washington 6, D. C.

ASSOCIATION OF RAILWAY CLAIM AGENTS.—F. L. Johnson, Alton R. R., 340 W. Harrison St., Chicago, Ill. Annual meeting, May 24-25, 1944, Hotel Sherman, Chicago, Ill.

BRIDGE AND BUILDING SUPPLY MEN'S ASSOCIATION.—P. R. Austin, Johns-Manville Sales Corp., Merchandise Mart, Chicago, Ill.

CANADIAN RAILWAY CLUB.—C. R. Crook, 4415 Marciel Ave., N. D. G., Montreal, Que. Regular meetings, second Monday of each month, except June, July and August, Windsor Hotel, Montreal, Que.

CAR DEPARTMENT ASSOCIATION OF ST. LOUIS, MO.—J. J. Sheehan, 1101 Missouri Pacific Bldg., St. Louis, Mo. Regular meetings, third Tuesday of each month, except June, July and August, Hotel De Soto, St. Louis, Mo.

CAR DEPARTMENT OFFICERS' ASSOCIATION.—F. H. Stremmel, 6536 Oxford Ave., Chicago 31, Ill. Annual meeting, September 26-28, 1944, Hotel Sherman, Chicago, Ill.

CAR FOREMEN'S ASSOCIATION OF CHICAGO.—Ralph J. Feddor, 2803 N. Campbell Ave., Chicago, Ill. Regular meetings, second Monday of each month, except June, July and August, La Salle Hotel, Chicago, Ill.

CENTRAL RAILWAY CLUB OF BUFFALO.—R. E. Mann, 1840-42 Hotel Statler, McKinley Square, Buffalo, N. Y. Regular meetings, second Thursday of each month, except June, July and August, Hotel Statler, Buffalo, N. Y.

EASTERN ASSOCIATION OF CAR SERVICE OFFICERS.—H. J. Hawthorne, Union Railroad, East Pittsburgh, Pa.

EASTERN CAR FOREMAN'S ASSOCIATION.—W. P. Dizard, 30 Church St., New York 7, N. Y. Regular meetings, second Friday of January, February (Annual Dinner), March, April, May, October and November, 29 W. 39th St., New York, N. Y.

LOCOMOTIVE MAINTENANCE OFFICERS' ASSOCIATION.—C. M. Lipscomb, 1721 Parker Street, North Little Rock, Ark. Annual meeting, September 26-28, 1944, Hotel Sherman, Chicago, Ill.

MASTER BOILER MAKERS' ASSOCIATION.—A. F. Stiglmeier, 29 Parkwood St., Albany 3, N. Y. Annual meeting, September 26-28, Hotel Sherman, Chicago, Ill.

NATIONAL ASSOCIATION OF RAILROAD AND UTILITIES COMMISSIONERS.—Ben Smart, 7413 New Post Office Bldg., Washington, D. C.

NATIONAL ASSOCIATION OF SHIPPERS' ADVISORY BOARDS.—C. J. Goodyear, 725 Reading Terminal, Philadelphia 5, Pa.

NATIONAL INDUSTRIAL TRAFFIC LEAGUE.—Edward F. Lacey, Suite 450, Munsey Bldg., Washington 4, D. C. Annual meeting, November, 1944, Hotel Pennsylvania, New York, N. Y.

NATIONAL RAILWAY APPLIANCES ASSOCIATION.—C. H. White, Room 1826, 208 S. LaSalle St., Chicago 4, Ill.

NEW ENGLAND RAILROAD CLUB.—W. E. Cade, Jr., 683 Atlantic Ave., Boston, Mass. Regular meetings, second Tuesday of each month, except June, July, August and September, Hotel Vendome, Boston, Mass.

NEW YORK RAILROAD CLUB.—D. W. Pye, 30 Church St., New York 7, N. Y. Regular meetings, third Thursday of each month, except June, July, August, September and December, 29 W. 39th St., New York, N. Y.

NORTHWEST CARMEN'S ASSOCIATION.—E. N. Myers, Minnesota Transfer Ry., St. Paul, Minn. Regular meetings, first Monday of each month, except June, July and August, Midway Club, 1931 University Ave., St. Paul, Minn.

PACIFIC RAILWAY CLUB.—William S. Wollner, P. O. Box A, Sausalito, Cal. Regular meetings, second Thursday of each alternate month, at Palace Hotel, San Francisco, Cal., and Hotel Hayward, Los Angeles, Cal.

RAILWAY BUSINESS ASSOCIATION.—P. H. Middleton, First National Bank Bldg., Chicago, Ill.

RAILWAY CLUB OF PITTSBURGH.—J. D. Conway, 308 Keenan Bldg., Pittsburgh, Pa. Regular meetings, fourth Thursday of each month, except June, July and August, Fort Pitt Hotel, Pittsburgh, Pa.

RAILWAY ELECTRIC SUPPLY MANUFACTURERS' ASSOCIATION.—J. McC. Price, Allen-Bradley Company, 624 W. Adams St., Chicago 6, Ill.

RAILWAY FUEL AND TRAVELING ENGINEERS' ASSOCIATION.—T. Duff Smith, Room 811, Utilities Bldg., 327 S. La Salle St., Chicago, Ill. Annual meeting, September 26-28, 1944, Hotel Sherman, Chicago, Ill.

RAILWAY SUPPLY MANUFACTURERS' ASSOCIATION.—J. D. Conway, 308 Keenan Bldg., Pittsburgh, Pa.

RAILWAY TELEGRAPH AND TELEPHONE APPLIANCE ASSOCIATION.—G. A. Nelson, Waterbury Battery Company, 30 Church St., New York 7, N. Y. Meets with Telegraph and Telephone Section of A. A. R.

RAILWAY TIE ASSOCIATION.—Roy M. Edmonds, 610 Shell Bldg., St. Louis 3, Mo. Annual meeting, May 16-17, 1944, Netherland Plaza Hotel, Cincinnati, O.

ROADMASTERS' AND MAINTENANCE OF WAY ASSOCIATION.—Miss Elinor Heffern, Room 839, 310 S. Michigan Ave., Chicago 4, Ill. Annual meeting, September 19-21, 1944, Hotel Stevens, Chicago, Ill.

SIGNAL APPLIANCE ASSOCIATION.—G. A. Nelson, Waterbury Battery Company, 30 Church St., New York 7, N. Y. Meets with A. A. R. Signal Section.

SOUTHERN AND SOUTHWESTERN RAILWAY CLUB.—A. T. Miller, 4 Hunter St., S. E., Atlanta, Ga. Regular meetings, third Thursday in January, March, May, July, September and November, Ansley Hotel, Atlanta, Ga.

SOUTHERN ASSOCIATION OF CAR SERVICE OFFICERS.

—D. W. Brantley, C. of Ga., Savannah, Ga.

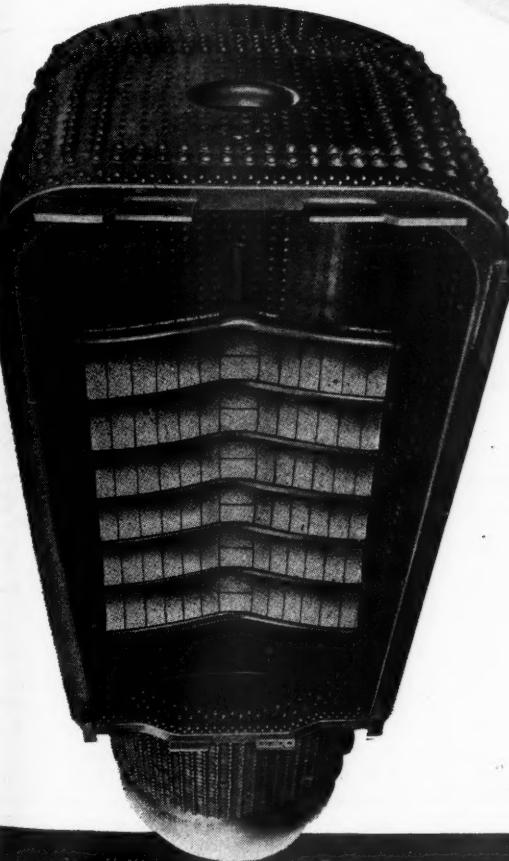
TORONTO RAILWAY CLUB.—D. M. George, P. O. Box 8, Terminal "A," Toronto 2, Ont. Regular meetings, fourth Monday of each month, except June, July and August, Royal York Hotel, Toronto, Ont.

TRACK SUPPLY ASSOCIATION.—Lewis Thomas, Q. and C. Company, 59 E. Van Buren St., Chicago 5, Ill.

UNITED ASSOCIATIONS OF RAILROAD VETERANS.—Roy E. Collins, 112 Hatfield Place, Port Richmond, Staten Island 2, N. Y.

WESTERN RAILWAY CLUB.—E. E. Thulin, Suite 339, Hotel Sherman, Chicago, Ill. Regular meetings, third Monday of each month, except January, June, July, August and September, Hotel Sherman, Chicago, Ill.

Increased Locomotive Availability HELPS SPEED TRAFFIC



With locomotive building strictly limited, only better utilization of power has made possible the splendid traffic records achieved by American railroads.

Security Circulators (there are now 4366 of them in service and on order) are increasing locomotive availability. This is particularly valuable in these days when every locomotive hour is so sorely needed.

AMERICAN ARCH COMPANY
INCORPORATED • 60 East 42nd Street, New York, N. Y.
SECURITY CIRCULATOR DIVISION

Construction

Progress on Grade Crossing Removal in N. Y.

In its annual report for 1943, the New York Public Service Commission reveals that despite manpower and materials' shortages, work was completed during the year upon the elimination of 17 grade crossings outside of New York City, and further progress made in New York upon the completion of the Atlantic Avenue, Rockaway, Garden City and other elimination projects. The upstate eliminations were accomplished at an estimated cost of \$4,963,000. Most important of these were seven crossings of the New York Central in Herkimer, Oneida county, at cost of \$3,500,000. Other eliminations were in the villages of Hempstead and Garden City, Nassau county, at cost of \$538,000, and in Buffalo, at cost of \$693,000.

Since the work of elimination began in 1897, a total of 1,511 grade crossings have been eliminated in the state, outside of New York City, with most of the work being accomplished since 1920 by the elimination of 929 highway-railroad crossings at a total cost of \$95,534,800.

In 1941, the legislature established a program of eliminations which included 197 crossings, at an estimated cost of \$51,567,000, and the report lists 18 of these crossings eliminated in the last two years, at cost of \$6,084,690, and one project in Chemung county now under contract at cost of \$230,350, construction to begin when materials are available. Plans for many other crossings listed in the 1941 law are in various stages of preparation and the commission recommends that 15 of the crossings should not be eliminated due to changed conditions. In many instances automatic flashing light signals and other safety devices have been installed, and the accident records have greatly improved. By deferring the operation of the orders directing the elimination of these 15 crossings, \$2,795,338 would be released for the elimination of more important crossings.

The commission also reports that because of the slowing of elimination work, more protection has been needed at grade crossings where eliminations cannot now be made because materials are not available and because of reduction in the amount of grade crossing funds. Increased railroad and highway transportation in recent years has caused an increase in accidents at grade crossings, reversing a ten-year decline in such accidents, and in order to afford greater protection to the traveling public, 44 railroads operating in the state have been ordered to install one or more of several types of additional protection at 600 grade crossings where existing protection was deemed inadequate.

CHESAPEAKE & OHIO.—During January and February, the Chesapeake & Ohio authorized or awarded contracts for construction work having a total estimated cost of \$3,237,315. The railroad has asked for bids for the extension of its yard tracks at Gladstone, Va., at estimated cost of \$320,-

200, and authorized the construction of additional tracks at Reclamation Plant, Barboursville, W. Va., at estimated cost of \$22,275, and the rearrangement of yard tracks at Stevens, Ky., at estimated cost of \$24,150. These latter two projects will be carried out by the company's own forces. In addition, plans are being prepared to extend the tracks in the westbound yard at Hinton, W. Va., at estimated cost of \$325,000; to construct a passing track and install remote control at Midkiff, W. Va., at estimated cost of \$135,450; to extend the double track and provide automatic signals at Lockwood, Ky., at estimated cost of \$134,800 and to construct passing tracks, install spring switches, relocate the telegraph office and double crossover, and provide automatic signals from Kise to Richardson, Ky., at estimated cost of \$215,350.

Construction contracts totaling \$2,060,090 were awarded as follows: replacing the stone arch bridge over the Rivanna river and revising the line and grade at Columbia, Va., at estimated cost of \$358,690, to Haley, Chisholm & Morris, Charlottesville, Va.; extending the passing track and installing remote control at Thurmond, W. Va., at estimated cost of \$50,000, to the Sutton Company, Radford, Va.; constructing a branch line off the Hominy creek subdivision at Quinwood, W. Va., at estimated cost of \$463,000, to the Asheville Contracting Company, Asheville, N. C.; constructing a spur track up Rockhouse creek and a bridge over the Guyandotte river at Man, W. Va., at estimated cost of \$1,101,000, to the Ralph E. Mills Company, Roanoke, Va.; constructing a bunkhouse for laborers at Peru, Ind., at estimated cost of \$22,000, to S. J. Cyphard, Peru, Ind.; and replacing yard and hump offices and installing a loud speaking system at Newport News, Va., at estimated cost of \$75,400, to V. T. Myers, Norfolk, Va.

Equipment and Supplies

LOCOMOTIVES

The CHESAPEAKE & OHIO has issued inquiries for six locomotives of 4-6-4 wheel arrangement.

FREIGHT CARS

The ILLINOIS TERMINAL is rebuilding 125 hopper cars, salvaging the trucks only.

The MISSOURI PACIFIC will build 100 stock cars of 40 tons' capacity for the International-Great Northern, in the company's car shops at DeSoto, Mo.

The NEW YORK CENTRAL was reported in the *Railway Age* of March 25 as having ordered 1,000 44-ft. box cars from Dépôtage Shops. The correct length of these cars is 40½ ft.

The CHICAGO & NORTH WESTERN has been authorized by the Federal District

Court at Chicago to purchase 2,000 fifty-ton box cars under tentative arrangements. The American Car and Foundry Company will build 800, and the General American Transportation Corporation and the Pullman Standard Car Manufacturing Company will each build 600.

IRON AND STEEL

The CHESAPEAKE & OHIO has ordered 2,835 gross tons of rail from the Inland Steel Company and 4,498 gross tons of rail from the Carnegie-Illinois Steel Company.

SIGNALING

The BELT RAILWAY COMPANY of Chicago has placed an order with the Union Switch & Signal Co. covering model 31 electro-pneumatic car retarder equipment, involving 150 rail-feet of retardation. This unit will be installed in the north hump track of the westbound yard at Clearing, Ill., thus making both hump tracks and the entire westbound classification yard completely equipped for retarder operation, the eastbound yard having been previously so equipped.

Supply Trade

American Rolling Mill Company

The annual report of the American Rolling Mill Company for 1943 shows a net income of \$6,098,074 compared with \$7,778,988 in 1942, the decline being due to higher labor costs, amortization, and increased cost of supplies. The company and most of its subsidiaries had a record volume of business for the year with net sales amounting to \$199,266,466 compared with \$180,978,867 in 1942.

The total amount of new construction and additions to Armco plants in 1943 was \$4,093,540, which compares with \$15,152,000 in 1942 and \$20,688,993 in 1941. This increased capacity enabled Armco to turn out a record 3,115,410 net tons of ingot and casting steel in 1943. This exceeds the output of 1942, the previous high production year, by 266,671 net tons.

Safety Car Heating & Lighting Co. Annual Report

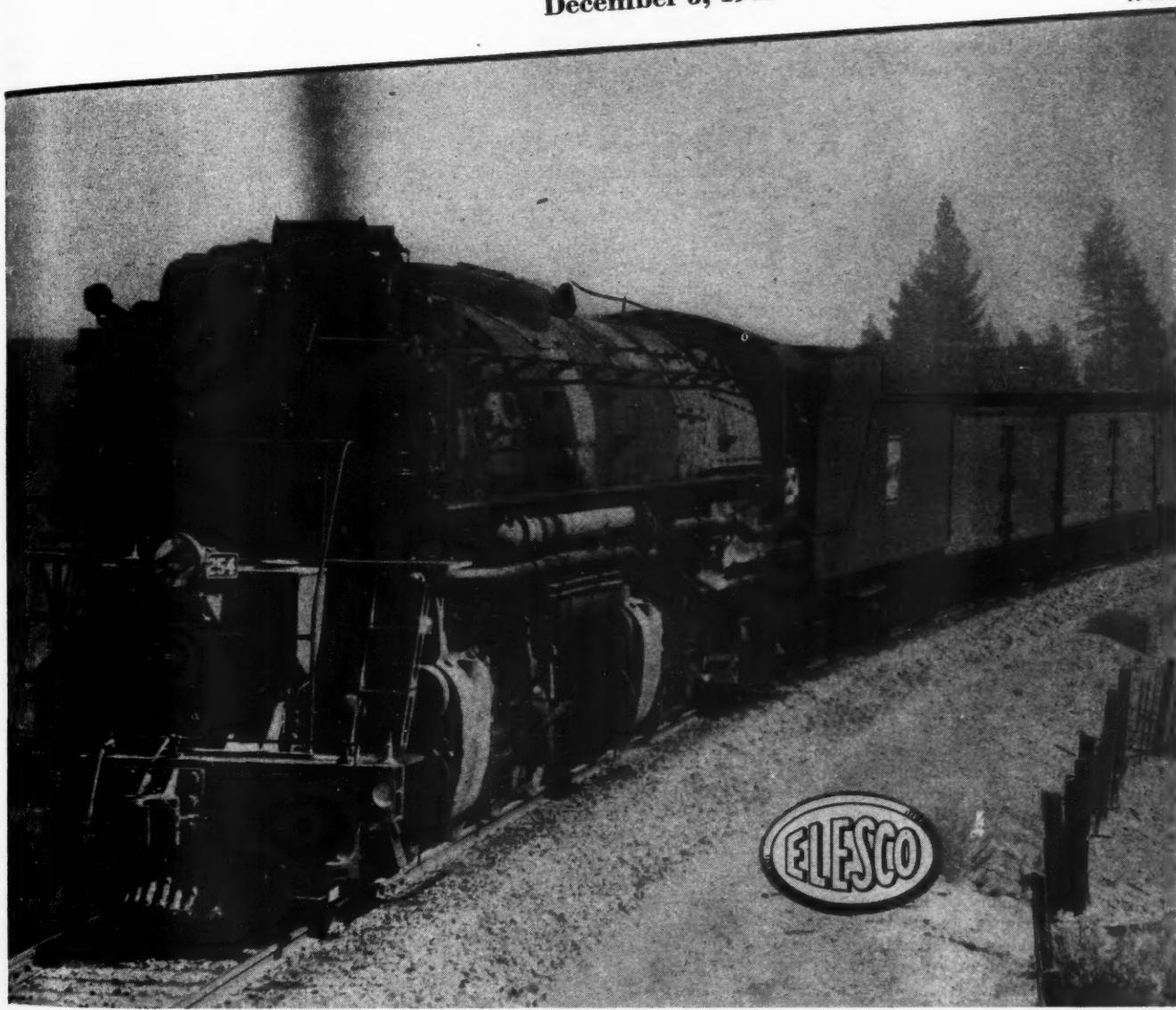
The Safety Car Heating & Lighting Co. reported profit from operations and other sources during 1943 amounted to \$2,325,142, as compared with \$1,162,510 for 1942. Net profit carried to earned surplus totaled \$595,442, as compared with \$514,636 in the previous year. Provision for income and other taxes increased to \$1,632,399 in 1943 from \$542,400 in 1942. Contracts for war materials received during the year amounted to approximately 72 per cent of total bookings and war orders billed to 77 per cent of total billing. The substantial backlog at the beginning of the year remained at approximately the same figure at the year-end.

The company reported that its contract with the Carrier Corporation has been

"... CONSIDERED PURELY AS A MONEY-MAKING INVESTMENT,
THE RELATIVELY SIMPLE AND CHEAP STEAM LOCOMOTIVE
CAPABLE OF BURNING SOFT COAL, MAY LONG CONTINUE TO
BE UNEQUALLED FOR THE WORK IT HAS TO DO."

—RAILWAY GAZETTE
December 3, 1943

A-1642



SUPERHEATERS • FEEDWATER HEATERS
AMERICAN THROTTLES • STEAM DRYERS
EXHAUST STEAM INJECTORS • PYROMETERS

THE SUPERHEATER C O M P A N Y

Representative of
AMERICAN THROTTLE COMPANY, INC.
60 East 42nd Street, NEW YORK
122 S. Michigan Blvd., CHICAGO

Montreal, Canada
THE SUPERHEATER COMPANY, LTD.

revised. Under the original contract, the Safety Car Heating & Lighting Co. produced and purchased certain parts which were assembled by Carrier with parts manufactured by them into complete air conditioning units for railway cars. Under the new contract, assembly and testing is performed by Safety Car with Carrier continuing to furnish certain parts which they are especially equipped to manufacture.

In his annual report, W. L. Conwell, president, reported that surveys indicate a large demand for new railway passenger equipment. He said the extent to which the company's facilities will be engaged for some time after peace will depend largely on the availability of materials and manpower, and expressed the hope that a reduction in war requirements would be accompanied by a corresponding release of materials and operatives to permit a gradual resumption of normal activities.

Ray S. Quick has been appointed in charge of a district sales office opened by the **Baldwin Locomotive Works** at



Ray S. Quick

2929 Nineteenth Street, San Francisco, Calif. Mr. Quick is also manager of the Pelton Water Wheel Company, a Baldwin division. The new office will handle sales of all divisions of the company and, in addition to covering the Pacific coast district, will direct sales of Baldwin products in the territories of Alaska and Hawaii. Mr. Quick was graduated from the University of California in 1916 and from the University of Illinois in 1919 with degrees in electrical engineering. He served in the United States Army as a second lieutenant in the signal corp from 1917 to 1919 and subsequently was employed by the Pelton Water Wheel Company serving successively as sales engineer, executive engineer, chief engineer, and general manager.

Alexander M. Hamilton, executive vice-president of the Montreal Locomotive Works, Canadian subsidiary of the American Locomotive Company, has been appointed vice-president, foreign sales, of the **American Locomotive Company**. Mr. Hamilton joined the company in 1909 following his graduation from Cornell University with a degree in mechanical engineering. After working in the Schenectady, N. Y., plant, he was transferred to the foreign sales division in New York and, in

1915, sent to Russia to supervise the erection of locomotives sold to that country. During the first world war, he served in the United States field artillery. He returned to the company and was appointed European representative with headquarters in Paris until 1921, and subsequently served as foreign sales representative for the com-

assigned to Electro-Motive. He held this position until his present appointment.

The Ohio Injector Company has received a third renewal of its Army-Navy "E" award for meritorious service on the production front.

G. E. Hunt, manager of the Indianapolis, Ind., office of **Cutler-Hammer, Inc.**, has been appointed acting manager of the company's Atlanta, Ga., territory.

The William H. Ziegler Company of Minneapolis, Minn., have been appointed exclusive sales representatives of the **Whiting Corporation** in the Twin Cities territory.

Benjamin Van Horn, manager of the Crane Sales division of the **Harnischfeger Corporation**, Milwaukee, Wis., has retired after 47 years service with that company.

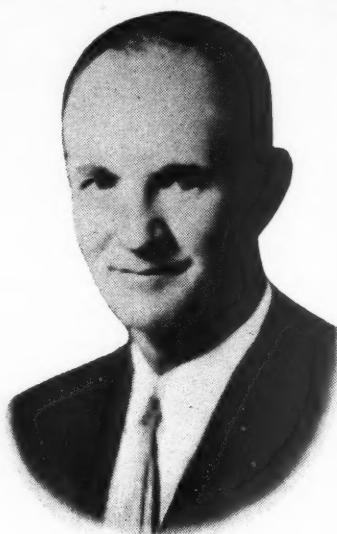
Charles S. Powell, manager of the communications and merchandising departments of the **Graybar Electric Company**, has been elected vice-president and a director of the company. Mr. Powell began his career with the Graybar company in 1914.

Heber D. Distelhurst, Howard C. Lunger and **Benjamin W. Dodwell**, members of the sales department of the **American Car & Foundry Co.**, have been appointed assistants to the vice-president of that department.

H. H. Smith, works metallurgist of the Donora Steel & Wire Works, has been appointed assistant manager, metallurgical department, of the **American Steel & Wire Co.**, to succeed the late **Lawrence H. Dunham**. **R. A. Woodside**, a former division metallurgist, has been appointed works metallurgist of the Donora Works to succeed Mr. Smith.

E. J. Masline, general superintendent of the **Union Metal Manufacturing Company**, Canton, Ohio, has been appointed general manager and a director of the **Pacific Union Marbelite Company**, with headquarters in Los Angeles, Calif. The Pacific Union Marbelite Company is a subsidiary of Union Metal and functions as its manufacturing and Pacific Coast sales representative.

Corliss A. Bercaw, production manager of the Diesel engine division of the **Baldwin Locomotive Works**, has been appointed assistant general manager of the Springfield, Ohio, division of the **Elliott Company**. Mr. Bercaw was graduated from the California Institute of Technology. Following service as a naval officer in the first world war, he joined the Westinghouse Electric & Manufacturing Co., as an engineer and was later appointed special representative of the Diesel engine division. He subsequently was associated with the Baldwin Locomotive Works as sales manager of Diesel locomotives and production manager of the Diesel engine division.



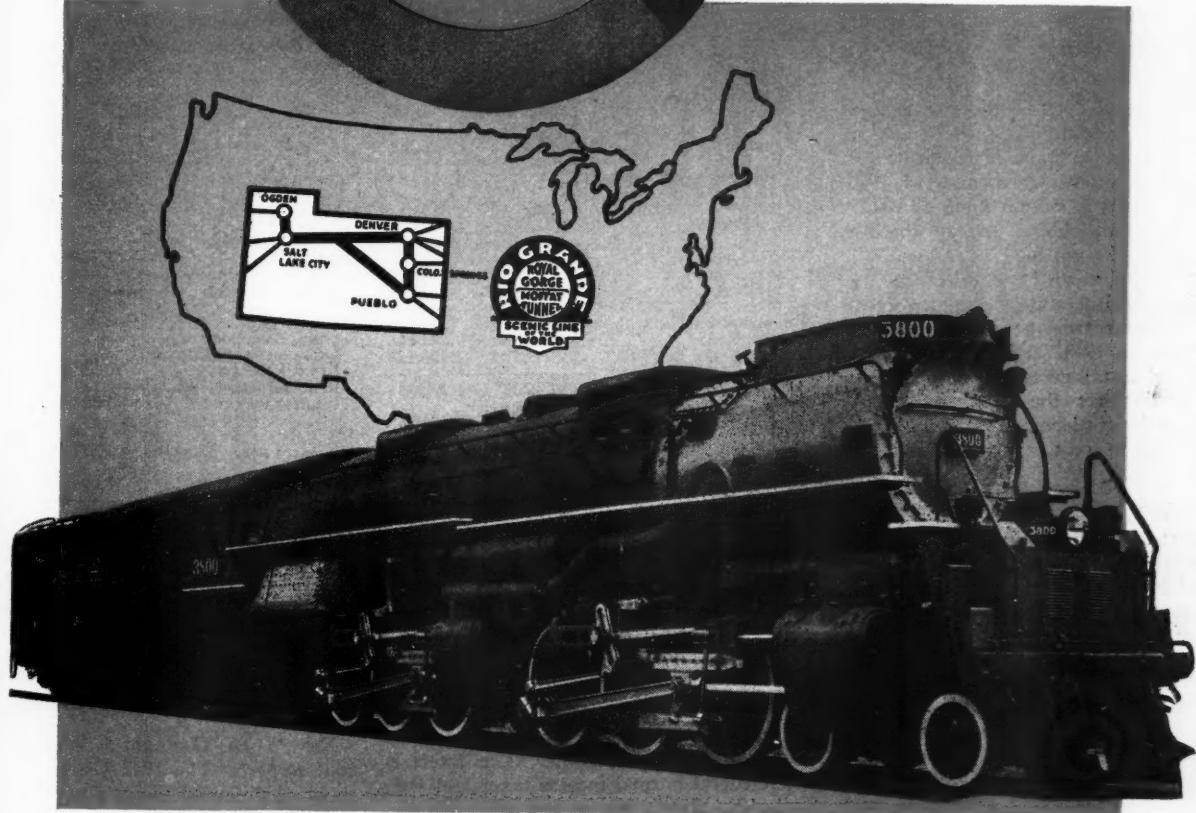
Ernest Kuehn

production and service, and when the construction of the Electro-Motive plant was authorized in 1935, Mr. Kuehn was made factory manager. He laid out and supervised the building of the plant and served as factory manager until 1942 when he was appointed special representative of H. L. Hamilton, vice-president of General Motors,

OBITUARY

William S. Atwood, vice-president and a director of the **Canadian Car & Foundry Co.**, died March 18. He was 68 years of age.

**KEEPING
PACE WITH
THE NATION'S
NEEDS**



The Denver & Rio Grande Western in 1943 put into operation six Alco 4-6-4's. Incidentally, this adds another road to the list of those who have taken advantage of the capabilities of this high-speed, heavy-tonnage locomotive.

Buy War Bonds



Locomotive Characteristics

Weight on Drivers	405,500 Lb.	Boiler Pressure	280 Lb.
Weight of Engine	603,000 Lb.	Tractive Power	97,350 Lb.
Cylinders (Four)	21 x 22 Ins.	Tender Capacity—Water	25,000 Gals.
Diameter of Drivers	69 Ins.	Tender Capacity—Fuel	28 Tons

AMERICAN LOCOMOTIVE

MANUFACTURERS OF MOBILE POWER

STEAM, DIESEL AND ELECTRIC LOCOMOTIVES. MARINE DIESELS. TANKS. GUN CARRIAGES & OTHER ORDNANCE

Financial

ALTON.—*Promissory Notes.*—Division 4 of the Interstate Commerce Commission has authorized this road to issue \$628,000 of promissory notes in evidence of, but not in payment for, the unpaid portion of the cost of ten 1,000-hp. Diesel-electric switching locomotives purchased from the American Locomotive Co. and financed at an interest rate of 1 1/4 per cent per annum by the Northern Trust Co. of Chicago.

BALTIMORE & OHIO.—*Lease.*—Division 4 of the Interstate Commerce Commission has approved this road's lease of the Strouds Creek & Muddley, a 12.4-mile line which connects with the B. & O. at Allingdale, W. Va.

CHESAPEAKE & OHIO.—*Awards Equipment Trust.*—On March 22, the Chesapeake & Ohio awarded an issue of \$2,200,000 of serial equipment trust certificates of 1944 to Halsey, Stuart & Co. on a bid of 100.27 for 1 1/4 per cent obligations, an interest cost basis to the railroad of about 1.70 per cent. The award is subject to the approval of the Interstate Commerce Commission. The certificates which will be dated April 1, 1944, and mature in ten equal annual installments, are being issued to finance in part the purchase of ten 2-6-6-6 type freight locomotives, with 25,000 gal. tenders, to cost approximately \$2,781,745.

BOSTON & MAINE.—*Annual Report.*—The 1943 report of this road shows that net income, after interest and other charges, amounted to \$7,142,072, a decrease of \$3,355,499 over the 1942 figure. During 1943 a total of 31,077,307 passengers were carried, an increase of 5,020,250 over the number carried in 1942. Of this total, 11,078,425 were commuters, representing an increase of 698,900 over the 1942 figure. Total passenger revenue for the year amounted to \$19,015,883, an increase of \$4,048,478 or 27 per cent over 1942, and the highest since 1926. Selected items from the income statement follow:

	Increase or Decrease Compared With 1942
Average Mileage Operated	1,821.9 -36.2
RAILWAY OPERATING REVENUES	\$86,325,775 +8,679,105
Maintenance of way and structures	12,828,170 +3,650,095
Maintenance of equipment	13,428,914 +2,374,223
Transportation	30,639,576 +4,747,787
TOTAL OPERATING EXPENSES Operating ratio	60,566,252 +11,216,213 70.2 +6.6
NET REVENUE FROM OPERATIONS Railway tax accruals	25,759,523 -2,537,108 10,621,837 +1,552,061
RAILWAY OPERATING INCOME Net rents—Dr. Joint facility rents	15,137,686 -4,089,169 3,260,328 -144,740 613,653 +74,640
NET RAILWAY OPERATING INCOME Total other income	11,877,358 -3,944,429 1,444,889 -248,023
TOTAL INCOME	13,322,248 -4,192,452
Rent for leased roads Interest on funded debt Fixed Interest	1,150,717 +931 3,045,572 +9,214

TOTAL FIXED CHARGES	4,254,254	-536,181	NET INCOME TRANSFERRED TO PROFIT AND LOSS	198,535	-132,481
NET INCOME	7,142,072	-3,355,499			

Disposition of net income:	
Income applied to Sinking and other reserve funds	1,161,972
Income appropriated for investment in physical property	1,310,822 -2,591,339
Miscellaneous appropriations of income	4,669,278 -764,160
TOTAL APPROPRIATIONS OF INCOME	7,142,072 -3,355,499

CANADIAN NATIONAL.—*Annual Report.*—The 1943 yearly report of this company shows a cash surplus, after interest and other charges, of \$35,639,412. Last year the net income was \$27,282,498. Selected items from the income statement follow:

	Increase or Decrease Compared With 1942
Average Mileage Operated	23,494.31 .09
RAILWAY OPERATING REVENUES	\$440,615,955 +\$64,961,412
Maintenance of way	67,308,429 +9,651,891
Maintenance of equipment	72,366,531 826,041
Transportation	159,477,448 +19,869,889
TOTAL OPERATING EXPENSES	324,475,670 +35,476,995
Operating ratio	73.64 -3.29
NET REVENUE FROM OPERATIONS	116,140,285 +29,484,416
Railway tax accruals	8,390,678 +2,370,537
Equipment rents	6,488,739 +1,292,901
Joint facility rents—Net Dr.	557,930 +48,262

NET RAILWAY OPERATING INCOME	81,633,938	+6,703,716
Total other income	9,914,564	+2,963,047
Rents and Miscellaneous Deductions	6,246,045	-1,590,233
INCOME AVAILABLE FOR FIXED CHARGES	85,302,457	+11,256,996
Interest on funded debt (Public)	30,998,196	-3,951,362
Interest on government loans	18,664,848	+4,632,213
NET INCOME	35,639,412	+10,576,144

CHICAGO & WESTERN INDIANA.—*Annual Report.*—The 1943 annual report of this road shows a net income, after interest, after federal normal income taxes and federal corporation surtaxes, and other charges, of \$198,535, compared with \$331,016 in 1942. Selected items from the income statement follow:

	Increase or Decrease Compared With 1942
Average Mileage Operated	566.9 -1.9
RAILWAY OPERATING REVENUES	\$151,172 +\$2,155
Maintenance of way and structures	134,364 +113,292
Maintenance of equipment	57,358 +7,245
Transportation—Rail Line	147,679 +18,138
TOTAL OPERATING EXPENSES Operating ratio	353,384 +140,565 233.8 90.9
NET LOSS FROM OPERATIONS	202,212 +138,409
Railway tax accruals	844,830 -154,607
Net rents—Dr.	2,070,674 -168,343
NET RAILWAY OPERATING INCOME	1,023,632
Total other income	2,095,808
TOTAL INCOME	3,119,440
Interest on funded debt	2,834,957
TOTAL FIXED CHARGES	2,859,254

RAILWAY OPERATING REVENUES	\$48,150,134	+\$2,507,921
Maintenance of way	5,272,939	+729,614
Maintenance of equipment	11,732,121	+2,688,435
Transportation expenses	15,667,101	+1,135,802
TOTAL OPERATING EXPENSES	34,553,107	+4,627,079
Operating ratio	71.76	+6.19
NET REVENUE FROM OPERATIONS	13,597,027	-2,119,158
Railway tax accruals	2,536,891	-2,102,821
Equipment rents	256,050	+688,340
Joint facility rents—Net Dr.	183,725	-36,538
NET RAILWAY OPERATING INCOME	11,132,460	+708,542
Total other income	3,048,715	+2,463,557
TOTAL INCOME	14,181,175	+3,172,098

INCOME AVAILABLE FOR INTEREST AND LEASED LINE RENTALS	13,355,824	+3,120,259
Rent for leased roads	1,732,971	-1,680
Interest on funded debt	2,027,999	-111,117
TOTAL INTEREST AND LEASED LINE RENTALS	5,351,194	-108,663
NET INCOME	8,004,630	+3,228,922

FONDA, JOHNSTOWN & GLOVERVILLE.—*Reorganization Expenses.*—Division 4 of the Interstate Commerce Commission has fixed a maximum limit of \$36,000 for expenses incurred and to be incurred by the reorganization managers, exclusive of counsel fees and expenses, in putting into effect the approved plan for this road's reorganization.

NEW YORK, ONTARIO & WESTERN.—*Annual Report.*—The 1943 yearly income account of this road shows a net deficit, after interest and other charges, of \$1,210,459, as compared with a net deficit of \$1,124,512 in 1942. Selected items from the income statement follow:

	Increase or Decrease Compared With 1942	
RAILWAY OPERATING REVENUES	\$8,686,800	+\$1,245,405
Maintenance of way	1,100,099	+233,532
Maintenance of equipment	1,678,321	+234,831
Transportation—rail line	4,149,364	+541,827
TOTAL OPERATING EXPENSES	7,565,318	+1,153,215
Operating ratio	87.09	+.92
NET REVENUE FROM OPERATIONS	1,121,482	+92,190
Railway tax accruals	459,390	+113,439
RAILWAY OPERATING INCOME	662,093	-21,249
Net rents—Dr.	453,004	-30,307
Joint facility rents	63,429	-6,379
NET RAILWAY OPERATING INCOME	209,089	+9,055
Total other income	36,522	+12,791
TOTAL INCOME	245,610	+21,848
Rent for leased roads and equipment	30,734	-20,563
Interest on funded debt	1,214,157	-472

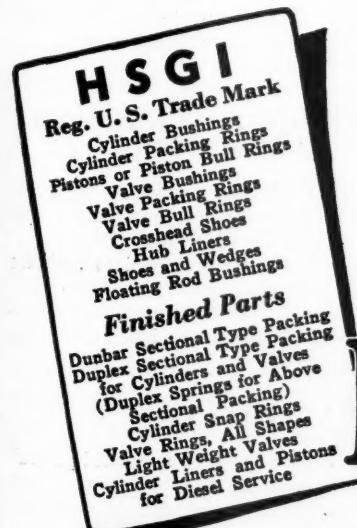


REDUCE MATERIAL REQUISITIONS

ANY material which offers maximum service life contributes to the war effort — less is required and therefore all industries can obtain higher priority ratings.

Due to its super wear-resisting properties **HUNT-SPILLER Air Furnace GUN IRON** is playing a big part in the battle to conserve materials.

Fewer replacements are necessary — this means fewer maintenance items and greater monthly mileage from each locomotive.



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HUNT-SPILLER GUN IRON

Railway Officers

TOTAL FIXED CHARGES	1,319,394	-14,903
NET DEFICIT	1,210,459	+85,947

LEHIGH & HUDSON.—*Annual Report.*—The 1943 annual statement of this road shows a net income, after interest and other charges, of \$309,784, compared with a net income of \$478,338, in 1942. Selected items from the income statement follow:

	1943	Increase or Decrease Compared With 1942
RAILWAY OPERATING REVENUES	\$3,043,478	-\$342,935
Maintenance of way	551,567	+154,784
Maintenance of equipment	365,299	+4,303
Transportation	866,173	-73,935
TOTAL OPERATING EXPENSES	1,923,090	+88,969
Operating ratio	63.2	+9.0
NET REVENUE FROM OPERATIONS	1,120,387	-431,904
Railway tax accruals	597,844	-129,692
Hire of equipment	147,940	-129,280
Joint facility rents	90,255	-3,294
NET RAILWAY OPERATING INCOME	284,349	-169,638
GROSS INCOME	310,462	-168,465
TOTAL DEDUCTIONS FROM GROSS INCOME	679	+89
NET INCOME	309,784	-168,554

PUEBLO UNION DEPOT.—*Joint Use Agreement.*—The Atchison, Topeka & Santa Fe, Colorado & Southern, Denver & Rio Grande Western, and Missouri Pacific have applied to the Interstate Commerce Commission for approval of an agreement for continuing their joint use of the properties of the Pueblo Union Depot & Railroad, the stock of which is jointly owned by the participating roads.

SALT LAKE CITY UNION DEPOT & RAILROAD COMPANY.—*Preferred Stock.*—The Federal District Court at San Francisco, Calif., has approved purchase by the Western Pacific of one-half of a \$600,000 preferred stock issue of the Salt Lake City Union Depot & Railroad Company. The Denver & Rio Grande Western has subscribed for the other half.

TOLEDO, PEORIA & WESTERN.—*Annual Report.*—The 1943 annual report of this road shows a net income, after interest and other charges, of \$2,292,452, compared with \$981,194, in 1942. Selected items from the income statement follow:

	1943	Increase or Decrease Compared With 1942
Average Mileage Operated	239.2	.04
RAILWAY OPERATING REVENUES	\$4,819,170	+\$1,588,814
Maintenance of way and structures	463,035	-506
Maintenance of equipment	232,607	+18,139
Transportation	952,298	+175,243
TOTAL OPERATING EXPENSES	2,108,735	+266,726
Operating ratio	43.8	-13.2
NET REVENUE FROM OPERATIONS	2,710,435	+1,322,088
Railway tax accruals	156,713	-7,253
RAILWAY OPERATING INCOME	2,553,721	+1,329,341
Net rents—Dr.	210,577	+19,220
Joint facility rents	14,886	+2,091

NET RAILWAY OPERATING INCOME	2,343,145	+1,310,121
Total other income	15,802	-2,671
TOTAL INCOME	2,358,946	+1,307,449
Interest on funded debt	62,240	-160
TOTAL DEDUCTIONS FROM GROSS INCOME	65,488	+2,159
NET INCOME	2,292,452	+1,311,258

Average Prices Stocks and Bonds

	Last March 28	Last week	Last year
Average price of 20 representative railway stocks..	39.78	39.46	35.59
Average price of 20 representative railway bonds..	87.19	87.26	76.23

Dividends Declared

Atchison, Topeka & Santa Fe.—\$1.50, payable June 1 to holders of record May 5.
 Culver & Port Clinton.—10¢, payable May 25 and November 25 to holders of record May 15 and November 15 respectively.
 New London Northern.—\$1.75, quarterly, payable April 1 to holders of record March 17.
 Savannah & Atlanta.—5% preferred, \$1.25, quarterly, payable April 1 to holders of record March 15.

Abandonments

BALTIMORE & OHIO.—This company has applied to the Interstate Commerce Commission for authority to abandon a segment of branch line from a point near Weston, W. Va., to a point near Buckhannon, 12.8 miles.

CHICAGO, BURLINGTON & QUINCY.—Division 4 of the Interstate Commerce Commission has extended to January 1, 1945, the time within which protestants may petition for reconsideration of its authorization of this company's abandonment of two lines in Iowa, one from Humeston to Clearfield, 58 miles, and one from Merle Junction to Clarinda, 27 miles, the effective date of which is February 22, 1945.

NEW YORK CENTRAL.—Acting upon a petition for reconsideration of its decision authorizing this company to abandon its electrified branch from Van Cortlandt Park Junction, N. Y., to Getty Square (Yonkers), 3.1 miles, filed by a committee of Yonkers commuters, the Interstate Commerce Commission has denied the petition. The report pointed out that, after two hearings and two reports, the petitioner had advanced a new contention, namely, that the branch in question is a spur line within the meaning of section 1(22) of the Interstate Commerce Act, and therefore the commission lacks authority to authorize its abandonment. This contention was rejected by the commission, with the comment that there were four agency stations on the branch, all in the city of Yonkers, at which most of the scheduled trains stopped for the boarding and alighting of passengers, which facts were sufficient to show that the line was not a spur within the meaning of the section relied on.

SHOOTING STICKS and portable stools, which open to form seats, are being purchased by railroad-passenger "standees" for use in corridors on long journeys, the Railway Gazette, London, reports of British travel.

EXECUTIVE

William H. Wenneman, whose election as vice-president of the Chesapeake & Ohio, with headquarters at Cleveland, Ohio, was reported in the *Railway Age* of March 25, was born at Cleveland on December 13, 1902, and in November, 1918, he became an office boy for O. P. and M. J. Van Sweringen at Cleveland. In 1923 he was appointed secretary of the chairman of the New York, Chicago & St. Louis (Nickel Plate), and from 1927 to 1930 he served in a similar position with the C. & O., and the Hocking Valley (now part of the C. & O.). From 1930 to 1936 he was secretary of the chairman of the Missouri Pacific and also assistant to O. P. Van Sweringen in other railroad and real estate enterprises. On



William H. Wenneman

March 1, 1937, Mr. Wenneman returned to the Chesapeake & Ohio as assistant of the chairman of the board, with headquarters at Cleveland, and in May, 1940, he was promoted to assistant to the president of the C. & O., the Pere Marquette and the Nickel Plate, the position he held at the time of his new appointment.

FINANCIAL, LEGAL AND ACCOUNTING

Arthur V. Mims, cashier of the International-Great Northern (part of the Missouri-Pacific), with headquarters at Palestine, Tex., has been promoted to assistant treasurer and assistant secretary, with headquarters at Houston, Tex., succeeding **William H. Sellers**, who has retired after 43 years service.

TRAFFIC

E. T. Ginder has been appointed general agent in charge of freight traffic of the Central of New Jersey with headquarters at Philadelphia, Pa.

Edward R. Lewis has resigned as chief rate and division clerk of the Chicago, South Shore & South Bend, with headquarters at

ELECTRIC
spectacle
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NICKEL AIDS THE ELECTRICAL EQUIPMENT INDUSTRY *to KEEP 'EM OPERATING!*

ELECTRICAL ENGINEERS continue their spectacular progress.

Since Pearl Harbor they have designed and perfected equipment that frees military strategy from many of its old limitations.

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Constantly striving to improve its products, the electrical industry has acquired long experience with metals and alloys of many kinds.

This experience has demonstrated that when properly used, nothing quite

takes the place of Nickel. From resistor grids to armature shafts, from limit switches to reduction gears, Nickel and its alloys have been assuring the dependability so important in equipment that must not fail . . . even under wartime overloads.

Nickel imparts toughness, strength, and fatigue resistance to other metals . . . makes them stand up better under abrasion, wear, shock, and stress.

As in other industrial fields, a little Nickel goes a long way to keep electrical equipment operating.

For years we have enjoyed the privilege of cooperating with technical men of the electrical equipment industry . . . and of many others. Whatever your in-

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THE INTERNATIONAL NICKEL COMPANY, INC., 67 Wall St., New York 5, N.Y.

Michigan City, Ind., to become assistant general freight agent of the Ft. Dodge, Des Moines & Southern, with headquarters at Chicago, succeeding **E. F. Menge**, who has been appointed general freight agent, with headquarters as before at Chicago, a change of title.

B. V. Reynolds has been appointed assistant general freight agent of the Texas & Pacific, with headquarters at Dallas, Tex.

Silas B. St. John, general agent of the Atchison, Topeka & Santa Fe, with headquarters at Boston, Mass., has retired after 48 years of service.

E. J. Goggin has been named assistant general passenger agent of the Norfolk & Western with headquarters at Roanoke, Va., and **B. C. Farsing** is the newly appointed district passenger agent at Cincinnati, Ohio.

E. D. Hanes, general coal freight agent of the Virginian with headquarters at Norfolk, Va., has been appointed coal traffic manager and his former position has been abolished.

C. E. Faust, city passenger agent of the Louisville & Nashville at St. Louis, Mo., has been promoted to district passenger agent, with headquarters at Pensacola, Fla., succeeding **S. H. Burke**, deceased. **H. T. Schneider** has been appointed district passenger agent, with headquarters at Nashville, Tenn., replacing **E. V. Graef**, whose promotion to division passenger agent, with headquarters at St. Louis, was reported in the *Railway Age* of March 28.

Giles Gurley Truesdale, whose promotion to assistant passenger traffic manager of the Illinois Central, with headquarters at Chicago, was reported in the *Railway Age* of March 18, was born at Richmond, Ill., on January 19, 1884, and entered railway service on July 1, 1901, as an office messenger of the transportation department of the I. C., subsequently serving as a file clerk, clerk-stenographer and secretary of the as-

cago, and in 1911 he was promoted to district passenger agent, with headquarters at Pittsburgh, Pa. On July 1, 1917, Mr. Truesdale was appointed commercial agent at New York and a short time later he resigned to enter private business. He returned to the Illinois Central on December 15, 1921, as assistant general passenger agent, with headquarters at Chicago, and on June 1, 1927, he was advanced to general passenger agent, with the same headquarters, the position he held at the time of his new appointment.

E. J. Hearne, whose promotion to general passenger agent of the Illinois Central, with headquarters at Chicago, was reported in the *Railway Age* of March 18, was born in Ireland on August 18, 1895, and entered railway service in March, 1913, as a clerk of the traffic department of the I. C. at Chicago. He subsequently served in various clerical capacities, with the same headquarters until May, 1924, when he was advanced to advertising agent. On March 10, 1937, Mr. Hearne was promoted to assistant general passenger agent at Chicago, and in September of the same year

subsequently holding several minor positions until January, 1906, when he was promoted to timekeeper in the superintendent's office at Chicago. Later Mr. Plunkett was advanced to chief clerk of the superintendent, the general superintendent, and the general manager, and for a time he served as passenger brakeman and conductor in sub-



J. Fred Plunkett

urban service. On July 1, 1935, he was promoted to assistant trainmaster in charge of industrial work, stations and training of student switchmen, with headquarters at Chicago, the position he held at the time of his new appointment.

John A. Rogers, whose appointment as general superintendent of transportation, Central region, of the Canadian National was announced in the *Railway Age* of March 4, was born at Cayuga, Ont., on July 19, 1883. He attended Royal Military College at Kingston, Ont., and entered railway service in 1904 as a draftsman of the Illinois Central at Chicago. The following year Mr. Rogers became a topographer of the National Transcontinental Railways (part of the Canadian National), and in 1911 he was named resident engineer of the Mackenzie and Mann Company at Ed-



E. J. Hearne

he was advanced to manager of the office of the vice-president, traffic. On February 20, 1939, he returned to the position of assistant general passenger agent, with headquarters at Chicago, the position he held at the time of his new appointment.

Jerry Larson Townsend, commercial agent of the Southern at New York, has been named district freight and passenger agent at that location to succeed **Robert Lee Peace**, who is promoted to replace **William C. Richardson** as district freight and passenger agent, also at New York. Mr. Richardson's promotion to division freight agent was announced in the *Railway Age* of March 11.



John A. Rogers

monton, Alta. He was appointed to the post of division engineer of the Canadian Northern and Canadian National in 1916 at Saskatoon, Sask., becoming assistant superintendent of the Canadian National at that location in 1927. In 1930 Mr. Rogers was promoted to superintendent at Prince



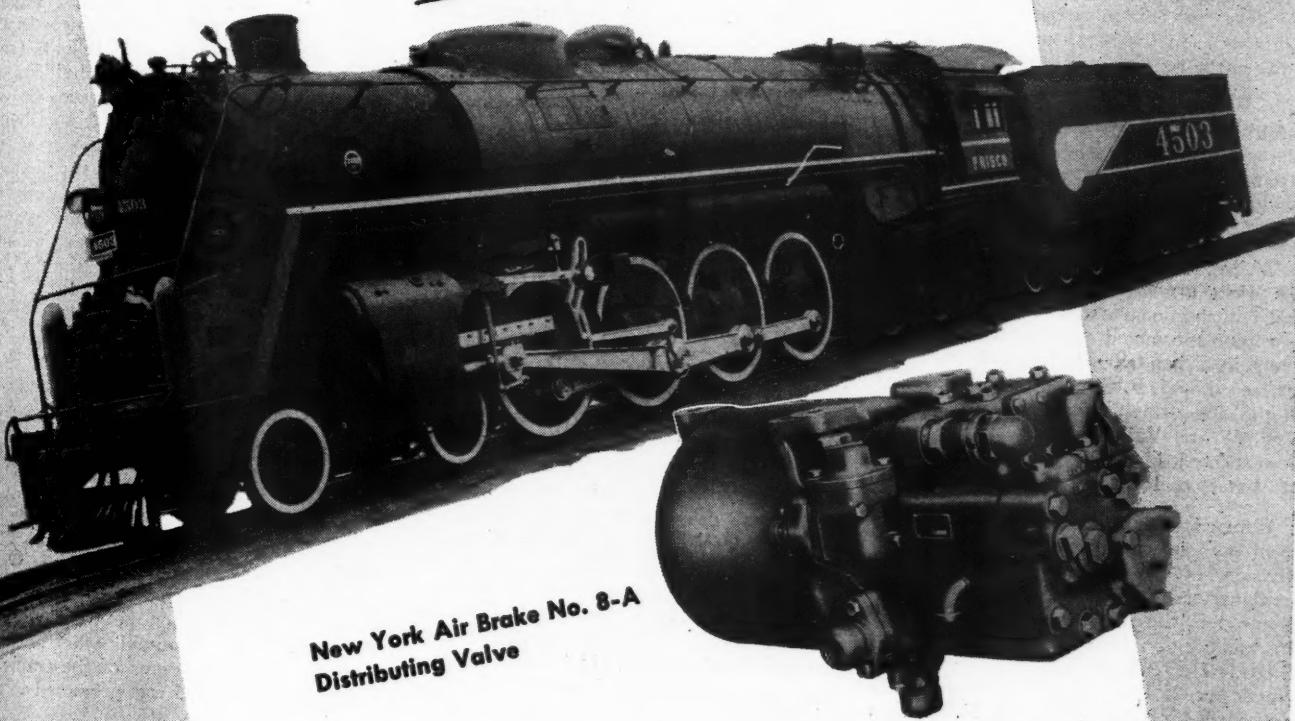
Giles Gurley Truesdale

sistant general passenger agent, with headquarters at Chicago. On May 1, 1906, he was promoted to traveling passenger agent at Cincinnati, Ohio, and one year later he was advanced to city passenger and ticket agent, with the same headquarters. On January 1, 1908, he was transferred to Chi-

OPERATING

J. Fred Plunkett, whose promotion to superintendent of the Chicago & Western Indiana, with headquarters at Chicago, was reported in the *Railway Age* of March 4, was born at Pleasant Plains, Ill., on December 8, 1880, and entered railway service on June 27, 1900, with the C. & W. I. as a laborer in the bridge and building department,

N Locomotive Brake Equipment on the **FRISCO 4-8-4'S**



New York Air Brake No. 8-A
Distributing Valve

SAFE, efficient and smooth retardation control of modern trains demands locomotive brake equipment which is designed for the new operating conditions.

The St. Louis-San Francisco is playing a vital role in the successful battle of the railroads on the transportation front. The new 4-8-4's, delivered in the latter part of 1942, are equipped with New York Air Brake Equipment.

Performance records of these locomotives show unusual efficiency. Flexible and dependable retardation control are naturally contributing factors.

The New York Air Brake Company
420 Lexington Ave., New York City. Plant: Watertown, New York

Albert, Sask., and was transferred to Hornepayne, Ont., the same year. After serving also as superintendent of Allandale, Ont., and Ottawa, Ont., he was appointed general superintendent of the Alberta district at Edmonton, in 1942. This position he held until his recent appointment as general superintendent of transportation at Toronto.

George Everett Little, inspector of train dispatching of the Canadian National at Moncton, N. B., has been appointed assistant superintendent, Campbellton division, with headquarters at Campbellton, N. B. He succeeds **A. E. MacDougall**, who has been appointed assistant superintendent of the Halifax terminals. Mr. MacDougall's new position includes jurisdiction over the handling of export, import and local traffic in the area, and liaison duties between the railway and the shipping agencies at that port.

Elmo Hodges, assistant superintendent of the Lafayette division of the Southern Pacific Lines in Texas and Louisiana, with headquarters at Lafayette, La., has retired after 38 years service.

W. W. Cunningham, superintendent of the Vicksburg division of the Illinois Central with headquarters at Vicksburg, Miss., has been promoted to executive general agent at Baton Rouge, La., and has been succeeded by **J. F. Sharkey**, superintendent of the Mississippi division, with headquarters at Water Valley, Miss., who in turn has been succeeded by **T. J. Casey**, trainmaster at Waterloo, Iowa.

James LaVerne Cooke, whose appointment as superintendent, North Carolina division, of the Seaboard Air Line with headquarters at Hamlet, N. C., was announced in the *Railway Age* of February 26, was born on June 19, 1905, at Scranton, S. C. He entered railroad service on November 2, 1924, as an operator of the Seaboard Air Line at Hamlet, N. C., then serving successively as train dispatcher at Hamlet and chief dispatcher at Howells, Ga. Mr. Cooke returned to Hamlet in January, 1940, when he was appointed trainmaster at that location. In June, 1942, he became assistant general superintendent of transportation at Norfolk, and the following year was named assistant superintendent at Hamlet. This position he held until his recent appointment as superintendent of the North Carolina division.

MECHANICAL

W. G. Wilson, master mechanic of the International-Great Northern, (part of the Missouri Pacific), with headquarters at San Antonio, Tex., has been promoted to mechanical superintendent, with headquarters at Houston, Tex., succeeding **John W. Lemon**, whose death on February 25 is reported elsewhere in these columns.

ENGINEERING & SIGNALING

L. J. Turner, supervisor of work equipment of the Chicago, Rock Island & Pacific, with headquarters at Chicago, has returned to service after a 12-month leave of absence because of illness. **F. A. Williams**,

who has been acting supervisor of work equipment during Mr. Turner's leave of absence, has been appointed assistant supervisor of work equipment, with headquarters at Chicago.

Robert S. Anderson, principal assistant engineer in the office of the chief engineer of the Pittsburgh & West Virginia, has been appointed engineer maintenance of way of that road with headquarters at Rook, Pa.

OBITUARY

John M. Spain, general auditor of the Railroad Retirement Board, with headquarters at Chicago, died in a hotel in that city on March 22, following a heart attack.

James M. Long, whose death on March 9 was reported in the *Railway Age* of March 25, was born at Lock Haven, Pa., on February 12, 1891. He served as clerk and telegraph operator of the Pennsylvania division, New York Central, from May, 1909, until September, 1917, when he entered the service of the Cambria & Indiana as dispatcher. Mr. Long was promoted to the position of trainmaster in October, 1931, and to superintendent in September, 1938. He was serving in this capacity at the time of his death.

John W. Lemon, mechanical superintendent of the International-Great Northern (part of the Missouri Pacific), with headquarters at Houston, Tex., died at his home in that city on February 25. Mr. Lemon was born at Newton, Kan., on February 24, 1879, and entered railway service in the mechanical department of the Denver & Rio Grande Western at Pueblo, Colo., in 1900. On March 25, 1902, he went with the Missouri Pacific as a machinist at Hoisington, Kan., subsequently serving as foreman, general foreman and master mechanic, with the same headquarters. In 1924 Mr. Lemon was promoted to superintendent of shops, with headquarters at Sedalia, Mo., and in December 1933, he was advanced to the position he held at the time of his death.

Samuel P. Warmack, general storekeeper of the International-Great Northern (part of the Missouri Pacific), with headquarters at Palestine, Tex., died in a hospital in that city on February 2. Mr. Warmack was born at Beaverville, Ga., on November 25, 1892, and entered railway service in November, 1912, with the San Antonio, Uvalde & Gulf (also a part of the Missouri Pacific). On August 16, 1916, he entered the mechanical department of the International-Great Northern at Taylor, Tex., and one year later he was transferred to the store department, with the same headquarters. On February 4, 1920, Mr. Warmack was promoted to division storekeeper of the Fort Worth division, at Mart, Tex., and on May 10, 1923, he was appointed general foreman for stores, with headquarters at Palestine. On June 1, 1924, he returned to Taylor as storekeeper and in May, 1926, he was appointed joint storekeeper for the Houston Belt & Terminal and the International Great Northern, with headquarters at Houston. On February 15, 1928, Mr. Warmack was promoted to division storekeeper of the St. Louis, Browns-

ville & Mexico (also a part of the Missouri Pacific Lines), with headquarters at Kingsville, Tex., and in October, 1935, he was promoted to the position he held at the time of his death.

Julius E. Willoughby, consulting engineer of the Atlantic Coast Line whose death was reported in the *Railway Age* of March 18, was born at Arkadelphia, Ala., on October 12, 1871. In 1892 he was graduated from the University of Alabama, entering railroad service the same year with the Louisville & Nashville. He filled several subordinate positions in the engineering and land departments until 1899, and in 1900 was appointed assistant chief engineer on construction of new lines in Alabama. Also in that year he was named engineer of construction of the Alabama and Florida branch. In 1902 Mr. Willoughby became division engineer and chief engineer of the Knoxville, LaFollette and Jellico (subsidiary of the Louisville & Nashville), and in 1905 he was named engineer of construction of the Louisville & Nashville. In 1912 he became chief engineer of the Caribbean Construction Company and the National Railroad of Haiti, joining the Atlantic Coast Line the following year as assistant chief engineer. He was promoted to the post of chief engineer of that road and some of its subsidiaries in 1915. This position he held until 1941, when he retired from active service and was appointed consulting engineer. Mr. Willoughby continued in the latter capacity until his recent death.

John H. Mangold, vice-president, traffic, of the Elgin, Joliet & Eastern, whose death was reported in the *Railway Age* of March 25, was born at Chicago on March 11, 1886, and entered railway service in 1904 as a clerk of the Pennsylvania, later serving in this capacity in various departments until 1911 when he went with the E. J. & E. Mr. Mangold was advanced through various positions of the traffic department and in 1923 was promoted to gen-



John H. Mangold

eral freight agent, with headquarters at Chicago. On April 1, 1932, he was advanced to traffic manager, with the same headquarters, and on July 1, 1941, he was promoted to the position he held at the time of his death. Mr. Mangold was a past president of the Traffic Club of Chicago.